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NATIONAL ARCHIVES MICROFILM PUBLICATIONS

Microfilm Publication M976

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

Roll 61

1930-39

793.94/14925-15160
Mar.-July 1939



**THE NATIONAL ARCHIVES
NATIONAL ARCHIVES AND RECORDS SERVICE
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WASHINGTON: 1975

NATIONAL ARCHIVES MICROFILM PUBLICATIONS

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.

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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

NATIONAL ARCHIVES MICROFILM PUBLICATIONS

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 0. 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.

NATIONAL ARCHIVES MICROFILM PUBLICATIONS

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.

0001

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

793.94/14925

F/FG

Hon. Cordell Hull,

State Dept Washington DC

UNIVERSITY OF CALIFORNIA
 DEPARTMENT OF ZOOLOGY
 BERKELEY

EX-107 2201939
 DEPT. OF STATE
 AUG 26 1939

Ans'd

Dear Sir: The enclosed letter from Mrs Seiple, wife of a professor in a Theological Seminary in Tokyo, long resident in Japan and with exceptional access to opinion in Japan is sent by me to you without her knowledge. It contains a first hand picture which may be of interest and supplement your information. She should be protected from publicity in any way reaching Japan. She is an exceptionally observant and able woman of a socially prominent family in Baltimore.

793.94

Yours truly

Charles A. Hoofield Prof. Emeritus N.D.C.
 Rockefeller Visiting Professor in Japan in 1930
 Ex Major Sanitary Corps N.S.A. 1917-19

If feasible please return the letter

14925

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

COPY:REK

CANADIAN PACIFIC

R.M.S. Empress of Asia,

April 4, 1939.

Dear Friends,

How surprised you will be to get a letter from me on the "Asia". I had an opportunity to go to Shanghai, so took it. A friend wished to go and did not want to go alone so asked me to go with her. So with some Christmas gift money I bought a round trip ticket -- to go on the P. & O. "Canton", March 21st, spend a week in Shanghai, and return on the "Empress of Asia", getting back to Yokohama on April 6th.

Of course you folks know we just can't write anything from Japan, so I am taking advantage of this ship as I can mail things between ports. You all most likely know more in general about the whole situation out here in the East than we do, for in every newspaper both English and all Japanese ones, every thing is very rosey, and all victorious. So I just want to give you a little bit of the real situation. Just as you put it when we passed thru Berkley about two months after the "incident" started. They were beaten then even. Not a single army or navy person ever dreamed the Chinese could possibly hold out so long. And the end is not yet! In Tokyo and other cities the metal gutter drains, metal manholes are being taken out and heavy wood is substituted, and there is a threat to take down metal fences.

Before I went to Shanghai I had a very interesting experience. A very dear Japanese lady, who is at the top

0002

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

- 2 -

of the J. Red Cross, and is one that is sent abroad at times to represent the R.C. of this country, came to see us a few weeks ago and told us how she was trying to do her bit to help entertain and encourage the returned wounded soldiers at the large R.C. hospital, by teaching those who wished to learn English. So she asked me whether I would come to the hospital sometime and talk to the boys. I was a bit surprised but I felt she knew her business. She called me up and made an engagement for me to come a certain day and meet her promptly at 1 o'clock. As I had to hunt the hospital, and sometimes I am slowed by heavy traffic, I left the house quite early. It was much nearer than I had supposed, and I had no traffic to contend with, so I got there about 20 minutes early. I drove into the lovely gardens which were overflowing with all types of wounded boys. I drew up to a place to park, and four boys came up to the car to talk to me - in Japanese of course. - It is yet very interesting to them to see a woman driving. They asked me to put my head away out of the door window so they could all take pictures of me driving. Then a young Lt. just seemed unable to control himself any more and began talking. I'll give you the gist of what he said in Eng., but he told it to me in Japanese. "War is Hell! It doesn't make any difference how long it goes on it is utterly no good, and will get us nowhere". As there were several other boys standing around I began to be worried so said I'd better try and meet my friend. I went to the door and waited and waited. She

100
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

- 3 -

finally appeared and looked a bit fussed. Said she had gotten permission to take me to the class, but had been told she would have to get - some more permission. She left me and went to the real top now, who happens to be a military man. When she came back this time her dear face was as red as a piece of red flannel. What she said was, "I had to stand before that man and wait by my watch 20 min. before he would allow me to speak to him. As soon as I asked to be allowed to take an American lady into my Eng. class he blustered and said 'no, no foreigner may come into any R.C. hospital, I don't care how long she has been in the country. I don't want her to talk to the wounded, nor the wounded especially to talk to her', and he wound up by saying 'but don't you tell her what I said'. She was so mad she just broke loose. She felt she had to do something with me after having gotten me so far, so we walked out back into a lovely garden and 1/2 her boys came out the back door and talked. When we went back to the car I told her how some of the wounded had already talked. They do not let these boys go home for months after their return for fear of them talking. All the hot spring places in the country are full and every hotel at these places must take in a certain number of wounded free as their patriotic duty.

All the way up the Yellow River to Shanghai on the right side of the steamer we saw a small sample of the scorched earth policy of the Chinese. I don't blame them in the least. First of all the bombing then the fires, absolutely nothing

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Department of State letter, August 10, 1972
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- 4 -

but desolation for miles.

In the International Settlement every thing was crowded for they told us there was in that Settlement 100,000 refugees from the surrounding districts. We went to the garden bridge just by the bund park and all vehicles had to stop unload all passengers and we walked across the barbed wired encased bridge thru a small opening into the J. occupied zone. (I ought to put in right now that I am no speller and haven't my Bill here to call on so hope you can read it bad spelling and all). On the In. Set. side we passed thru Siks, Johnnies, Chiese Kilties and French police as well as soldiers of these same nationals. I saw one lone mild looking American Marine. On the other side of the barrier first high up military gendarmes assisted by plenty of boy soldiers. They really only looked to be about 16 or 17 years old. A bit farther on the police in full regalia. We were not questioned or touched, but oh boy! the poor Chinese were hit across the head, around the body any old place if they stood any ways erect. So the poor things submitted to the search for arms, showed their passes, took off their hats and bowed to the Js. But just the same they are quietly doing all the damage they can. I had to go to the Jap. Consul to get a Visa, and passed a huge six story brick building which had mysteriously burned to the ground the day we went into Shanghai. It evidently had been a store house of Japanese supplies. We could see charred bolts of all kinds of goods. What a successful ruin. I don't know what you will

- 5 -

think of me for my sympathies are all with China. But you know of course there are some of the finest people in the world to be found in Japan who do not approve of this "incident" any more than we do. But the heads of the Army and Navy have gone mad. And there is an awful feeling of jealousy between these two. We had a business man to dinner a few weeks ago and he was so full he had to talk, for of course we do not talk or know anything, he said that it was sad about the mere undertrained boys that had been sent to China. They were mostly country boys given from 3 weeks to 3 month's training then sent on. His own son was in the army had been in for 3 years was expecting to be called any time but not yet. Then he said there is plenty of man power yet, for the best of the army is right here being trained to the nth power to fight Russia in May. We were terribly troubled to hear this. Truly when one goes out in the streets of Tokyo one is truck with the men men everywhere.

In the Universities the boys continue to the utmost limit in post grad. work until they are actually pushed out, because they are past all age limit.

In Shanghai I found one of our church from the interior where the bombing is going on now. They were refugees have lost everything for the third time. What brave people they are, just bideing their time to go back I have asked the wife to come visit us and see that not all Japanese were devils. The tales she tells and yet they are not exaggerated. Of

- 6 -

course every now and then we do not get certain numbers of our magazines thru the mails. The Chinese do not feed the Japanese soldiers at all. Any one found giving food or aid of any kind is shot by even members of his own family as a traitor. I heard of a marvelous bit of bravery of a dear Chinese girl who saved a whole company by raising a counter attraction just near the stranded boys and they made a break for it and got back to Shanghai to organize a fresh band. She lost her life of course. We are told that all the Chinese do is run, but I heard that some of the others have run on occasions.

Last fall when Will and I were on our way back to Tokyo from Sendai, we were on an extra fare express train when at one place we were put on a siding while a train loaded with cabbage and pigs, food being sent to China for the soldiers.

Just now America is quite in favor because of sending back Saito's ashes on a gun boat. But because of the loan by Eng. and Amer. to China we were in quite bad.

We have a wonderful man here in Ambassador Grew, and the Eng. man Sir Robert Criegie is also a wonder man.

We are not in the least in trouble or troubled in any way. Only feel discouraged sometimes. I want to tell you that Will loves his work and the Japanese in the school are just lovely to him. They sometimes break loose and talk, but they know to whom to talk.

The police visit us quite frequently and are most polite. One Japanese friend was troubled about my going to Shanghai

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

- 7 -

saying folks did not like the Japanese and Japan when they came back. I assured him I would not change my mind on my return. I must tell you what a traveler on the P.& O. on the way to Shanghai said. Of course every one went out on deck to see the devastation. I made this brilliant remark on seeing the Rising Sun flag. "Well, there's the Rising Sun!" "Yes" said he "but remember the sun also sets!" Pretty good I thought.

Must mail this. Our love and lots of it to you both. Please under no circumstance mention this letter when you write us.

You will be surprised when I tell you we can get no imported toilet articles, buy no Eng. Magazines, get no chocolate, no prunes or apricots in fact nothing is imported as money can not leave the country. We pay for all our magazines by check on an American bank.

My, how I have run on, but we too get full up, so I used this boat to blow out on.

Yours most fondly,

Florence Seiple.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

In reply refer to
 FE 793.94/14925

My dear Dr. Kofoid:

I have been requested by the Secretary to acknowledge the receipt of your letter of April 22, 1939, enclosing a letter received by you from Mrs. Seiple, a resident of Japan, in which she describes certain phases of the existing situation in the Far East that have come to her personal attention.

Mrs. Seiple's letter has been read with interest and your courtesy in making it available to the Department is appreciated. You may be assured that your desire to have Mrs. Seiple protected from publicity in connection with her letter will be respected. In accordance with your request the letter is returned herewith.

Sincerely yours,

M. M. Hamilton
 Maxwell M. Hamilton
 Chief

Division of Far Eastern Affairs

Enclosure:
 From Mrs. Seiple,
 April 4, 1939.

Charles A. Kofoid, Ph.D.,
 University of California,
 Berkeley, California.

FE:EGC:HES
 4-29

FE

793.94/14925

F/EG

MAY 1 1939

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

4/11

~~1/11~~
~~Rem~~
The attached news
letter contains nothing
of outstanding interest.
FE is not familiar with
this man, although his
news letters are occasionally
seen there -

J.K.P.

0011

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 By Milton D. Gustafson NARS, Date 12-18-75

"The assertion of truth, the unveiling of illusion, the dissipation of hate,
 the enlargement and instruction of men's hearts and minds."

No. 139
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Division of
 FAR EASTERN AFFAIRS

APR 10 1939

Department of State



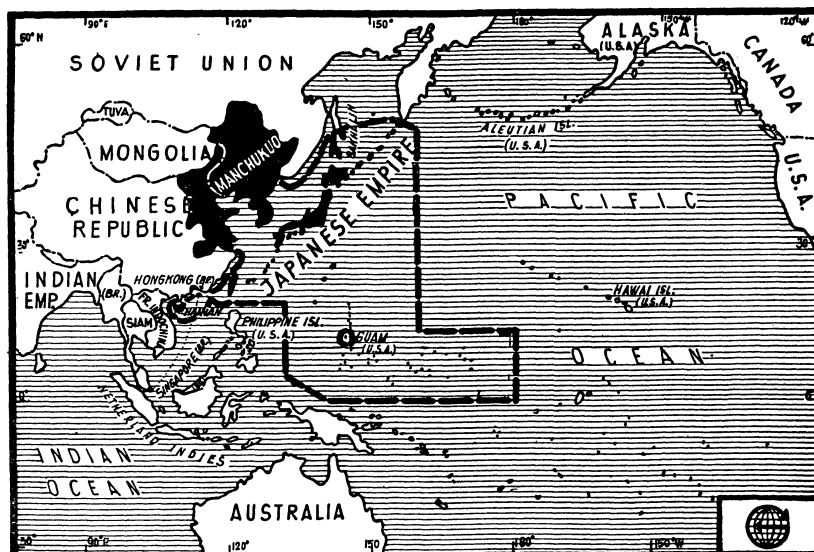
162 BUCKINGHAM PALACE ROAD, LONDON, S.W.1

SLOane 9961

10th March, 1939.

DEAR MEMBER,

The situation in Europe, with which I do not propose to deal this week, is closely though obscurely connected with the Japanese invasion of China. The map reproduced below draws your attention to the Pacific Ocean and its coasts. The Supplement with this Letter analyses and describes the state of affairs in China at the present



Reproduced by courtesy of Far Eastern Service.

793.94/14926

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By Milton D. Gustafson NARS, Date 12-18-75

time. Perhaps the keynote of world affairs during the past week has been provided by the revelations of the scale of the British defence measures. An examination of the expenditure during the post-war period shows that from 1922 to 1934 the total expenditure on the three fighting services averaged about £120 million a year, of which the Navy and Army took about £100 million and divided it in the proportion of £60 million to the Navy and £40 million to the Army. This was the period during which requests for expenditure by the fighting services were governed by a Cabinet Minute laying down that "no major war need be expected for a period of ten years". In 1935 the total defence estimates rose slightly, by 1936 they were nearly £200 millions, and by 1937 they were lapping the £300 million mark. In these estimates the heading "Civil Defence" made a bashful first appearance. In 1938, the £400 million mark was passed and the Army, the Navy, and the Air Force each spent as much as the total annual defence estimates had been during the period 1922-34. This brings us to 1939, a financial year during which Great Britain will spend nearly £600 millions on defence. Of this the Air Force will absorb £208 millions, and for the first time in our history this expenditure will largely exceed the amounts allocated to the older Services. Civil Defence will take approximately £60 million, an amount larger than the pre-war naval estimates which used to cause Liberal Chancellors of Exchequers sleepless nights.

Of the total expenditure on defence for the current year it would appear that approximately £352 millions will be borrowed. Of the results of this vast expenditure, that which emerges from the heading "*Civil Defence*" is of the greatest interest.

The public in Great Britain have never felt uneasy about the Navy, and they have not given much thought to the Army; they have been uneasy about the Air Force, and profoundly alarmed about the state of Civil Defence.

In all these defence questions, or rather those aspects of defence which are concerned with the provision of weapons, and the men to use them, the principal difficulty is that of getting the timing right.

It is the old story of ensuring that the horse is in perfect training when the starting gate goes up. In international affairs it is the purpose of armaments to create a situation in which—I write from the British point of view but an Italian or German would say the same thing from his point of view—the starting gate which lets loose the horrors of war will never go up. The object of power politics diplomacy is to win the war without fighting, and in such diplomacy, as we found out at Munich, armaments talk in brazen and unchallengeable terms.

It is safe to say that when the British expansion of armaments began in 1935-36, the crisis of 1938 was not in the programme. The critical year was placed somewhere around 1940.

NEWS FROM THE FAR EAST

In accordance with our usual practice when issuing a special supplement on a specific subject, extra copies of this supplement and the News-Letter which it accompanies can be obtained at the reduced rate of 5/- per 100 copies (of the two documents) post free.—K-H.

I

The attention of the public has been distracted from events in the Far East by the developments in Spain, and the expectation that Signor Mussolini could not long delay the formulation of specific and official claims against France. It is time to look further afield and widen the horizons of our thoughts.

The following considerations indicate why I believe that the Far Eastern situation must never be allowed to escape our anxious attention.

(1) Whether or not Republican Spain stands, or stood for democracy in a struggle against totalitarianism and militarism is open to discussion, but there can be no possible doubt that China is the victim of as bare-faced a piece of aggression as any recorded in modern times. From the moral point of view, therefore, the British, French and American peoples should support China.

(2) From the point of view of material interest a Chinese defeat would lead to the establishment in the Far East of an enormous Japanese Empire which would dominate the Eastern Pacific. French Indo-China, Siam, Burma, the Philippines, the Dutch East Indies and Malay States would exist by its leave, and the shadow of its military might would fall over India, Australia and New Zealand.

(3) It is almost unnecessary to point out that Hong Kong would be lost, and so would the commercial connections of the democratic powers throughout China.

(4) If a hardened, unified China emerges victorious from this struggle, she will be capable of becoming either a powerful bulwark of a new world order based on respect for international law, or the foremost military power in a world of power politics. Two thousand years ago, Chinese armies camped on the shores of the Caspian Sea, and thirty years hence her bombers may be able to range the world. It is essential to the future well-being of mankind that this great new force should be enlisted in the service of peace.

(5) The security of the British Commonwealth of Nations depends upon the main-

tenance of the sea routes, and from the strategic point of view the Mediterranean and Far Eastern areas are indivisible. This fact is well known to the manipulators of the Rome-Berlin Axis. Japan is a member of the anti-Comintern pact and there are strong suspicions that in certain circumstances the Rome-Berlin-Tokio triangle will become a military alliance. So much for some of the more important reasons why we can not be indifferent to happenings in the Far East. I shall now outline the present state of affairs in that part of the world.

II

The background to the Japanese invasion was dealt with in News-Letters 56 and 75, and frequent references have been made to the course of the war. Recent news from Chungking and from Japan indicates that the struggle has now entered into a new phase. This is true of both sides. The Japanese have now become committed to the establishment of "A New Order in Asia" which means a great Continental Empire controlled by Japan. The achievement of this ambition requires the fulfilment of four conditions. First the military conquest of China. Secondly, the administration of China. Thirdly, the eradication of the rights of the Western nations in the Far East. Fourthly, the maintenance of sufficient economic and military strength in Japan to achieve purposes one to three. The map on page 2 of this Supplement shows roughly the limits of the Japanese occupation to date. But within the so-called "occupied" area (shaded black on the map) the Japanese forces are only in effective occupation of the cities and lines of communication. Moreover, and as can be seen by the map on page 3, the Japanese forces are still operating in the great plains of the Yangtze and Yellow rivers. Behind the Japanese lines guerilla warfare is ceaseless and harrassing. The invaders are attempting to exploit the resources of the area out of which they have driven the regular Chinese armies, but since it is impossible to set up a Japanese civil administration they are reduced to creating "puppet



This map, and that on the opposite page shows the situation in China after 19 months of war.

Both maps are reproduced by courtesy of "FAR EASTERN SERVICE" 49 Doughty St., London, W.C.1.

In this map:

Black areas denote Japanese possessions and territories occupied by the Japanese. Black arrows denote Japanese landings in South China prior to the occupation of Hainan.

The area of the Chinese Republic in the summer of 1936 (less Tibet, Outer Mongolia & Manchukuo) was 2,840,000 sq. miles. Of this the Japanese have only been able to conquer 220,000 sq. miles, or less than 8%.

The population of the occupied territories is about 70 millions, or 16% of the total population of 430 millions.

regimes". The area which the Japanese claim to have occupied covers 796 Hsien (cf. counties). At the beginning of 1939 the Chinese government at Chungking reported that in 489 of these administrative areas the District Magistrates appointed by the Central Government were still exercising complete control, in 248 they were in partial control. In all parts of the "occupied" area the Japanese are encountering that passive resistance policy on the part of farmers, which is the age old and traditional weapon of the Chinese masses against oppression by rulers. As regards Japan's third objective mentioned above, the Japanese have been more successful in strangling foreign trade, and I regard the position of the concessions at Shanghai and Tientsin as precarious. This matter will be referred to again later on. Fourthly, there is the Japanese need to be strong enough to maintain the struggle, though this aspect of the question is partly dependent upon whether

China can (with or without external assistance) maintain the quality of her resistance, and partly on Russia's attitude. It is estimated that provided China is not able to increase her resistance and that Japan is not engaged in any additional adventures, she can keep the war going for a more or less indefinite period. The position will now be examined as it appears from the Chinese side. Marshal Chiang Kai-Shek regards the war as being now in its second stage. The fronts are to be mobile whilst military and political guerilla warfare is to be developed to the utmost in the so-called occupied areas "in which traitors will be eradicated." Since this news was posted from China several prominent Chinese who have allowed themselves to be made the tools of the Japanese have been slain. In the meanwhile new armies are being fashioned in the West from the inexhaustible man-power of China. The problem of munitions is one of the serious problems

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

confronting China. At present, stocks for nine months are in hand, but much greater quantities will be required if in due course the Chinese are to assume the offensive. The main sources of communication into China, now that the coast is completely blockaded, are two roads, the Burma-Yunnan highway and the North Eastern road from Russia through Sinkiang and Kansu. The most satisfactory feature on the Chinese side is the strength of the national will to resist, and that this has been largely brought about by the brutality of the Japanese, especially their wholesale bombing of open towns. The Chinese are also heartened by signs that Great Britain and the U.S.A. are anxious to give them some material assistance.

One of the most remarkable results of the war has been the beginnings of the establishment of a new China in the hitherto little known and relatively undeveloped western provinces. Millions of refugees have slowly moved

west from the Yangtze valley into Szechuan, Yunnan and Sikang, and tremendous efforts have been made to transport westwards machinery removed from the Eastern theatres of war. The vast, and (to Westerners) unknown provinces are a world of immense natural resources; these provinces have hitherto played little part in the life of modern China. In Yunnan there is abundance of tin, copper, iron and coal, and further north there are gold deposits which may one day rival The Rand. Here are some extracts from a report recently received from Chunking.

"Szechuan is famous for its agriculture. It harvests four crops every year. Sikang is a new province reminiscent of Canada. Its first provincial government was inaugurated on Jan. 1st, 1939. Its area is 182,510 square miles. Its capital at Kanting is 12,400 feet above sea level . . . there are immense rolling grass lands . . . timber is abundant . . . the refugees who are

In this map:

The plains are shown in white.

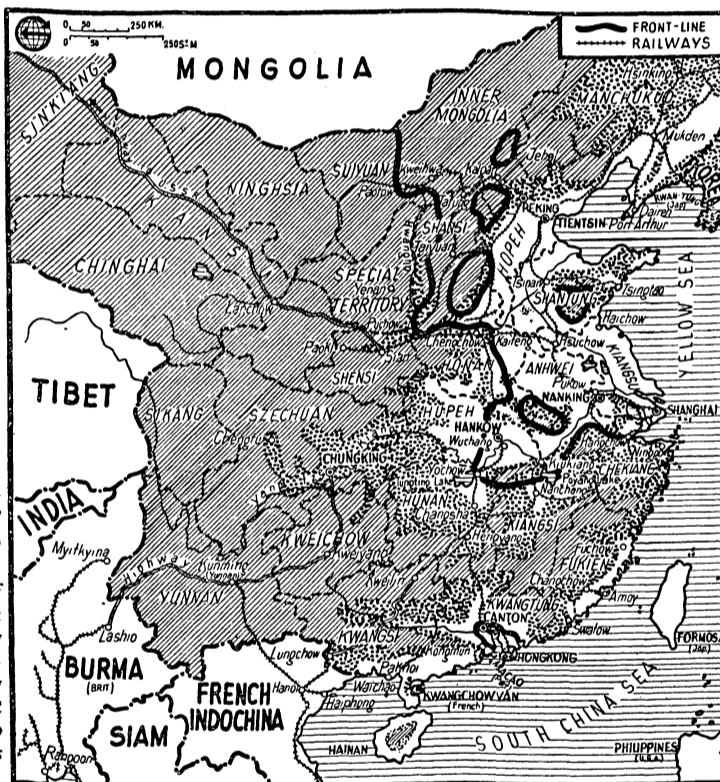
The hilly country (645-1610 ft.) is dotted.

The mountainous areas (over 1610 ft.) are shaded.

The thick black line denotes the present front, and the most important guerilla areas, i.e. those in which both regular and irregular Chinese troops are operating behind the Japanese lines.

It will be seen that the territory occupied by the Japanese is largely confined to the plains. In those areas where they have reached mountainous country, as in Shansi and Kiangsi, they were held up by the Chinese for months.

Note the position of Hainan and Formosa Islands in relation to Hong Kong. Also the area occupied by Yunnan, Si-kang and Szechuan, the great Provinces of the West into which millions of refugees are streaming.



finding their way into this great reservoir of human effort include many artisans and craftsmen." The story of the great westward trek is romantic and dramatic. "It is a common sight to see streams of vehicles from donkey carts to trucks, piled with machinery, steadily and laboriously trekking westward through the mountains, with thousands of men, women and children, mostly heavily laden, patiently trudging after them . . . the pioneer days of U.S.A. are being re-acted . . . there is an amazing growth of factories . . . universities and cultural institutions are appearing in the West . . . 400 students of the Nankai University of Tientsin (deliberately destroyed by the Japanese) reached Changsha and then tramped for forty days through mountains to Kuangning on the Upper Yangtze . . . boy and girl students in crowds, from other schools and colleges, have all walked westward. Japan has been responsible for a new outlook in China—and that outlook is westward . . ." Another of the great changes which the war has wrought in China is the organisation, largely on the initiative of Madame Chiang Kai-Shek, of women for war work. The high school and college girls are trained to work among the villages, teaching the peasant women what to do if the tide of war sweeps over them, and of the necessity of providing supplies of hot tea and rice for soldiers going forward, and how to tend wounded men. One of these girls, shockingly mutilated in an air raid on the first day of her war-work, said with her last breath:

"I have been trained to work, I have come to work, but before I could even start I have to die." Another woman's organisation rescues child refugees after air-raids and transports them to the western provinces.

III

In the grand strategy of the struggle which is now taking place in the world between brute force, intolerance and aggression on the one hand and the upholders of a world order founded on respect for international law on the other, China and the Chinese occupy a key position. It may be that Japanese militarism is digging its grave in China, in the midst of countless Chinese victims. But if this forecast turns out to be wrong, the consequences to democracy the world over would be terrible and perhaps fatal. What can be done? The tension in Europe makes it difficult for France and Great Britain to give China much help, though I earnestly urge British merchants acquainted with Far Eastern conditions to turn their eyes from Shanghai, Tientsin and Hong Kong to the backdoor through Burma into the new China of the West. It is from the United States of America that we must hope that China will receive increasing assistance in her struggle to preserve an independent life. Whilst Great Britain and France stand on guard over the citadels of liberty in Western Europe and the Mediterranean, let the U.S.A. reach out across Pacific and meet us to stand shoulder to the shoulder in the Far East.

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0016

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

An acceleration has become necessary, and the Lord Privy Seal has admitted that so far as Civil Defence is concerned one should read 1939 for what used to be 1941.

The naval expansion has for its purpose the creation of two battle fleets, one for European waters and the other for the Far East. This programme is about two-thirds complete and will be complete before any of the Axis Powers can create a fleet of capital ships.

The Air Force is making good progress, and its strength relative to the Air Forces of Germany and Italy has considerably increased. In Civil Defence, substantial progress is now being made, and it gives me special pleasure to report this because, as the files of this correspondence will show, honesty compelled us to rage against the inefficiency which was rampant in this affair up to recent times.

Sir John Anderson's great achievement has been recognition of the fact that this problem of Civil Defence is so novel and complex that it is nothing less than a military problem of first-class importance which has to be solved by people who have hitherto been called (and thought of themselves as) civilians.

There are no civilians in totalitarian war.

The title "*Civil Defence*" is a mis-nomer. The measures which have to be adopted are the home front aspects of National Defence. Great Britain at the present time is probably better organised for home defence than any other country in the world, but a great deal still remains to be done because our danger from air-attack is much greater than that of any other nation.

It seems probable that the side of National Defence which is likely to loom largest in the news in the immediate future is the Army. The problem here consists of trying to decide what military support, in the shape of an expeditionary force, we could and should give to France if war on a large scale should break out. I hope to deal with this at greater length in a subsequent Letter, and will only say now that I believe we should aim at being able to send ten Divisions to France and have a further ten Divisions available as a mobile force for other overseas operations.

The Palestine Conference continues in being, but—at the moment of writing—the outlook for an agreed settlement is bad. The tentative proposals put forward by the British Government delighted the Arabs, who at once argued that these proposals were a step further away from the Jewish claims, and that a little more pressure from the Arab side would produce better and bigger results. The Jews were profoundly depressed, and were with difficulty prevented from walking out of the conference. As an Arab delegate remarked: "The trouble is that during the War the British Government sold the same horse to two men." Great

0017

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

Britain has always denied this horse coping, but the fact remains that both Jew and Arab believed that they were going to ride the horse. What the British Government hoped to do (if it had any hopes at all over and above winning the war) was to control the racing of the horse, and have it groomed and fed in a joint Jew-Arab livery stable. What's to be done next? I have not the slightest ideological bias for or against Arab or Jew. I thoroughly realise the political need of keeping on good terms with the Arab world, a world which owes much of its present influence to Britain's victory in the War. I also attach importance to the need of preserving the good will of the Jewish people and of their influential friends in the U.S.A. We are living (for the time being) in a world of extreme nationalism, and more than ever the Jews must have a national and independent home somewhere. Of all the possible "somewheres" Palestine heads the list. The Peel commission recommended a scheme of partition. Lord Peel and his colleagues were intelligent and experienced men and did not hastily recommend Partition as an irresponsible last minute solution. The Government adopted this baby and then began to overlay it. The Woodhead Commission was sent out to work out the details of a Partition and found it a difficult task. That was no new discovery. The Government then decided that this technical commission had proved partition to be impossible, although it did recommend (by a majority) a partition plan by which the Jews would have a very small state. This was Plan C. After studying the available material I remain of the opinion that some form of Partition is essential, and that it can be achieved without hardship to Arabs, though at considerable cost to the British tax-payer. The Jews will not receive nearly as much in a material sense as they claim, but psychologically they would be saved. Such a solution is an indispensable preliminary to the evolution of a Palestinian state or federation which will be achieved when the world passes out of its present nationalistic fever.

As regards the general European situation, the state of affairs is still one of uneasy calm. Informed opinion considers that as the Spanish situation will soon be cleared up an indication one way or the other of Rome-Berlin intentions cannot be long delayed.

Yours sincerely,

Stephen King-Hall

P.S.—The Supplement to this letter provides a background to the growing tension between Japan and the foreign commercial interests in North China.

0018

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

No. 571.

RECEIVED

DEPARTMENT OF STATE

AMERICAN CONSULATE GENERAL

Hankow, China, March 9, 1939.

Subject: Conditions in Kiukiang and
Observations on Japanese
Military Mentality.

COPIES SENT TO
O.N.I. AND M.I.D.
without enclosure
DT

The Honorable

The Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
APR 26 1939
Department of State

Sir:

I have the honor to enclose herewith, for
the information of the Department, a copy, in
quintuplicate, of my despatch No. 593 of March 9,
1939, to the Embassy at Chungking on the above-
mentioned subject.

Respectfully yours,

P. R. Josselyn
P. R. Josselyn
American Consul General

Enclosure:

Despatch No. 593 to Embassy, Chungking,
dated March 9, 1939.

In quintuplicate

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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. Husted NARS, Date 12-18-75

No. 593.

AMERICAN CONSULATE GENERAL

Hankow, China, March 9, 1939.

Subject: Conditions in Kiukiang and
Observations on Japanese
Military Mentality.

Willys R. Peck, Esquire,
Chargé d'Affaires ad interim,
American Embassy,
Chungking, Szechuan.

Sir:

As describing the environment in which Americans are living in Kiukiang, a town representative of the many in this district occupied by the Japanese armed forces, I have the honor to submit the following information supplementary to the telegrams sent in mid-February by vice consul John Davies, Jr. from the U.S.C. CAHU at Kiukiang.

General Conditions:

Kiukiang was practically intact city when abandoned by the Chinese in July 1938. It had suffered only slightly from Japanese aerial bombing and Chinese demolition. The first Japanese men-of-war to appear off Kiukiang subjected the town to a senseless and wasteful shelling. That accounted for a certain amount of destruction. With the arrival of Japanese troops and naval landing parties there began the thorough-going vandalism and looting which has continued to the present.

Houses were broken into, articles of value pillaged and other objects smashed. An American resident of Kiukiang stated that the streets of the town, well known

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5548

-2-

for its ceramics, were littered after Japanese occupation with broken china-ware. The loot was shipped down river in vessels which had discharged their cargoes of troops and military supplies. With the advent of autumn, the Japanese began demolishing houses to obtain wood for fires. This destruction was carried on indiscriminately so that in February large sections of the city were badly wrecked.

The native population, with the exception of a few thousand refugees who sought shelter in foreign missions, fled before the approach of the Japanese. Shortly after their arrival, the Japanese sought to evict the refugees and move them to a refugee zone established in the outskirts of the city. The night before the transfer was to be made, it was necessary for the American doctor at the Water of Life Hospital to post five men at the hospital well to prevent women refugees from committing suicide.

The main part of the city was, when visited by Mr. Davies in January and again in February, reserved for the Japanese. The only Chinese to be seen on the streets were a few hawkers with special passes and girls impressed as waitresses in six or eight drab little bars and cafes. Very few Japanese civilians were visible. The fronts of most shops and homes not demolished were broken in and the buildings used as storehouses, garages or stables. Soldiers were seen warming themselves over fires built on the dirt floors of vacant houses and fed by furniture, torn-up floorboards and other structural parts of buildings. There

was

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

5545

-3-

was a heavy traffic of military trucks and staff cars. Sentries were posted at the entrance to billets and at important street corners. On the water front gangs of Chinese coolies under Japanese supervision unloaded military supplies from barges. Oil and other supplies were stacked high along the foreshore.

Relations Between Japanese and Native Population:

An upper middle class Chinese who had assumed an important position in the Japanese-inspired Kiukiang local regime confessed to an American there that he bitterly regretted his association with the puppet government. He said that he had believed that he was aligning himself with a permanent and stabilizing force. Association with the Japanese military and Army Special Service Section, he declared, had disabused him of those beliefs. "How can a dissolute organization like the Japanese army", he asked, "be expected to hold and govern 400 million people?"

As an example of the experiences of thousands of Chinese in the country-side surrounding Kiukiang, there was described to Mr. Davies by an American the recent history of a village woman who had sought refuge in an American mission. In the autumn this woman lost two nephews, young peasants, who were machine-gunned and killed by Japanese aircraft while crossing a small river by ferry boat. Then her son was taken away as a supply-bearer by a passing detachment of Japanese troops. Sometime later her home was burned by a Japanese punitive expedition. Finally, Japanese soldiers discovered one day

-4-

day the hiding place of her three nieces. Two of the young women succeeded in reaching a nearby pond before being caught, and there committed suicide through drowning. The third was caught but, because she resisted assault, was killed, disemboweled and her entrails strewn on the road.

It is such manifestations of violent lechery and sadism on the part of Japanese soldiery, too often reported from reliable sources throughout the occupied areas of this district to be doubted more than in minor detail, that so dismays and horrifies the average Chinese. The not infrequent cases of several Japanese raping one woman are particularly bestial in Chinese eyes. Their own irregulars and bandits are hated mostly for financial exactions and looting, the Japanese troops mostly for their treatment of Chinese women.

// The Japanese gendarmerie have in Kiukiang, as they have in Hankow, exerted themselves to curb the excesses of Japanese troops. The behavior of Japanese soldiers in the city has been therefore somewhat less disorderly than in the country. In conversations with farmers several miles outside of Kiukiang, Mr. Davies was told that Japanese troops calling at a village or farm house appropriated household articles that took their fancy and smashed other objects in sport. Farm products commandeered were sometimes paid for, more often not. Peasants carrying produce to Kiukiang for sale had so often been robbed by Japanese soldiers of either their commodities on the way to market or of their cash on the way home that many of them had

abandoned

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

-5-

abandoned any attempt to market their produce at Kiukiang. Foraging parties calling at farm houses almost invariably demanded young women.

Punitive expeditions to a village suspected of having given aid to guerillas follow the same saturnalian procedure on the Yangtze as on the Sungari: a certain part of the male population (depending upon the "guilt" of the village) is shot outright, the women are raped and some killed, the houses are burned.

Japanese Military Mentality:

Probably the most common question asked by Americans in this district concerning the new dispensation under which they are living is, "Why are the Japanese so savage in their behavior towards the common Chinese people and so malevolently rude towards us?" An American in Kiukiang asked Mr. Davies, "Why, for example, has the Army Special Service Section told its Chinese employees, as we have naturally learned, that it is permissible to beat a French citizen or even kill him; an American may be beaten but should not be killed?"

An interpretation of the mentality of the Japanese military in China is essential to an understanding of the position of Americans in Kiukiang and other occupied towns. Being without a Japanese service officer, this office is not competent to examine this question in the detail which it deserves. The following brief observations may, however, serve as a thumb-nail sketch of the subject and complement what has been said in preceding paragraphs

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

-6-

paragraphs about the behavior of the Japanese armed forces.

The Japanese military in China obviously have a conviction of divine mission. Primarily, this mission is, of course, the fulfillment of duty to the Emperor and the bringing of glory to the Empire through martial conquest. Secondly, but of major importance in contributing to a psychological conflict in the military, is the idealistic belief that the mission is also a crusade to liberate the Chinese people from the oppression of their own rulers. Opposition to the crusade is, by Japanese logic, to be expected from the Chinese Government and its armies and grateful gladness from the Chinese people.

To the Japanese soldier the resistance from armed peasants, the flight of most of the population from him and the unmistakable resentment and fear of those whom he does succeed in "liberating" are a shocking rejection of his idealism. The psychological conflict is thereby precipitated, and is certainly not lessened by the continued insistence of official pronouncements on the theme of idealism. What critical faculties he may have been endowed with at birth having atrophied through non-use, the average Japanese soldier is unable to resolve this psychological conflict through revolt or decent cynicism. He benightedly vents the conflict in vengeful action against the people whom he believes have denied his chivalry.

The excessive forms which this vengeance takes need further interpretation. They are perhaps largely explained

-7-

explained by the transition of the average Japanese soldier and officer in China from a social system in which the police and family dictated most phases of his behavior to a war situation in which there are no constant social checks. Never having been encouraged to appraise independently moral values, he is in China without apparent moral judgment. This moral infantilism, with all of its ramifications of primitive glorification of the sword fetish and blood-letting, and low regard for human sensibilities, especially in respect of women, accounts in a large measure for the odious reputation of the Japanese army and navy forces in this district.

The Position of Americans:

Again taking Kiukiang as a town representative of those in this district occupied by the Japanese, it may be profitable to examine the position of Americans there. They were surrounded by and at the mercy of men who had not only been taught to despise and hate Americans but who also suffered from delusions of their own divine origin and divine mission, whose urge in dealing with occidentals was to over-compensate a subconscious feeling of inferiority and whose personal life was unfettered by the social control which in Japan once caused them to be regarded as a civilized beings.

The one factor which prevented the Americans in Kiukiang, as elsewhere in occupied territory, from being subjected to a worse fate than the Chinese was Japan's international policy. Abundant circumstantial evidence suggests that the Japanese armed forces in

this

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

-8-

this district have been held in check in their behavior towards Americans only by strict orders from the Japanese High Command to avoid incidents which might lead to complications in American-Japanese relations. Americans have indicated their anxiety lest, in an international crisis, these orders be rescinded.

In conclusion, it may be said that conditions in the smaller cities and towns of this district and the position of Americans in them can be fully appreciated only through first-hand observation. This office has, of course, since Japanese invasion of this district regularly received reports from trustworthy sources on the situation in the outlying areas occupied by the Japanese armed forces. They have been accepted with a certain degree of reserve because, being confined by Japanese restrictions to the intact and more or less orderly sections of Hankow, the staff of this Consulate General has not had an opportunity personally to observe the environment in which Americans outside of Hankow are living.

There are enclosed, as setting forth in further detail the position of Americans in Kiukiang, copies of the communications sent and received by Mr. Davies while at Kiukiang.

Respectfully yours,

P. R. Josselyn
American Consul General

Enclosures:

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

5556

-6-

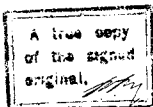
Enclosures:

1. Copy of letter addressed by J. E. Frick, Kiukiang, to the Japanese Consulate, Kiukiang, dated February 8, 1939;
2. Copy of telegram from Davies at Kiukiang, dated February 13, 1939;
3. Copy of memorandum made by P. H. Benedict, dated February 14, 1939;
4. Copy of telegram from Davies at Kiukiang, dated February 16, 1939;
5. Copy of letter addressed by Davies to Japanese Consul, Kiukiang, dated February 16, 1939;
6. Copy of letter from J. E. Frick, Kiukiang, dated February 19, 1939;
7. Copy of letter addressed by Davies to Japanese Consul, Kiukiang, dated February 20, 1939;
8. Copy of memorandum made by Davies dated February 22, 1939.

Original to Embassy, Chungking;
 5 copies to Department of State;
 Copy to Embassy, Peiping;
 Copy to Embassy, Tokyo;
 Copy to Consulate General, Shanghai;
 Copy to Consulate General, Canton.

800

JD/MYH



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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

Enclosure No. 1 to despatch No. 593, March 9, 1939, from
 Consul General P. R. Josselyn, Hankow, China, to the
 Embassy, Chungking, China, regarding "Conditions in
 Kiukiang and Observations on Japanese Military Mentality."

The Kiangsai Mission of Seventh Day
 Adventists.

Kiukiang, Kiangsai

To Commander Stafford, Commanding the U.S.S. Ladybird

Feb. 8, 1939

To the Imperial Japanese
 Consulate, Kiukiang.

Dear Sir:-

Last night Feb. 7, to our regret, it was reported that
 our church property on Do Fu Hang Street, was broken into.
 Mr. Lipporte who just happened to pass by there immediately
 reported the matter to your military police, who were so
 kind and immediately send two officers to investigate the
 matter. Most of the church furnishings have either been
 taken out or have been destroyed. Up above the church
 proper were two living quarters and two school rooms, in
 the back of the church are two more rooms with furnishings.
 The items which have disappeared and are destroyed are as
 follows:

1. Church furnishings, pews, chairs, tables,
 iron stoves, desks, lights, a loss of..... \$250.- U.S.Currency
 2. Loss in the tract Society. Bibles,
 religious books, periodicals, mission
 supplies..... \$650.- U.S.Currency
 3. Loss to the living quarters. Writing desks,
 iron stoves, beds, chairs, house
 equipment..... \$275.- U.S.Currency
 4. Loss to the school dept. Furniture, books,
 library, charts, maps, laboratory
 equipment..... \$325.- U.S.Currency
- Amounting to a grant total..... of \$1500. U.S.Currency

The building was well marked per your instruction with
 flags, and signs which your military police had kindly
 supplied to us. The lock on the front door was broken
 off, on the left side the back door was knocked to pieces,
 on the other side a big hole was knocked through the brick wall.

I herewith bring this matter to your knowledge.

Yours sincerely,

(Signed) J. E. FRICK
 J. E. Frick

This is a carbon copy of a letter which I have send to the
 Japanese Consulate.

Copied by CFS
 Compared with *[Signature]*

0025

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

Enclosure No. 2 to despatch No. 593, March 9, 1939, from
Consul General P. R. Josselyn, Hankow, China, to the
Embassy, Chungking, China, regarding "Conditions in
Kiukiang and observations on Japanese Military Mentality."

AMCONSUL HANKOW

INFO:

SECSTATE WASHINGTON

AMEMBASSY PEIPING

AMCONSUL SHANGHAI

February 13, 4 p.m.

1. I requested Japanese Consul February 9 to make arrangements for me to visit American citizens and property in Kiukiang as impossible to do so without first securing Japanese permission. Visit finally made this morning. Japanese asked nine American residents, all missionaries, gather this morning Methodist Water of Life Hospital. I had expressed a desire to visit Americans separately at respective residences. Present throughout interview which commanding officer SAHU and I had with Americans were two Japanese army officers and one gendarmierie sergeant.

2. Under such circumstances Americans were naturally reluctant to speak frankly. I did learn however:

(1) Mrs. J. E. Frick of Seventh Day Adventist Mission was on February 11, while on the way to the Japanese Consulate on business and in possession of a Japanese pass threatened by a drunken Japanese naval sentry who loaded his rifle and pointed it at her. In the artificial atmosphere of the interview I was not able to get further details but have asked the Japanese to arrange for me to call on the Fricks tomorrow.

(2) There have been several recent cases of looting American property by Japanese, the only one on which thus far I have a definite report being the Seventh Day Adventist Church pillaged early February of equipment valued one thousand five hundred U. S. dollars.

(3) The American missionaries at Kiukiang are most anxious to join the American business men here in associating themselves with the Hankow American Chamber of Commerce's January request to the American Government for transportation facilities on the Yangtze. No commercial banking nor adequate supply of consumers goods available in Kiukiang. Missionaries in need of currency and certain imported supplies. Some have received no mails for seven months. Two American hospitals running short medicines.

(4) Missionaries must secure special permission, not granted during past two weeks*, to travel between town and oil installations where British gunboat and business community are isolated.

*Later learned this permission had never been given.

7031
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

-2-

3. Japanese army authorities refused me permission to visit Andersen Meyer property (Shanghai's 102 February 4, 4 p.m.) because it is in a special military district. I was permitted visit Standard Vacuum Oil office only by back door and on condition I did not look out front windows. Today first time Standard Oil manager permitted visit his office this month.

4. Stringency of Japanese restrictions at Kiu-kiang is reported to be due to the preparations for a spring offensive on Nanchang.

Sent to Hankow, repeated to Department, Peiping, Shanghai

DAVIES

Copied by MYH
Compared with Handwritten

Enclosure No. 3 to despatch No. 593, March 9, 1939, from
Consul General F. R. Josselyn, Hankow, China, to the
Embassy, Chungking, China, regarding "Conditions in
Kiukiang and observations on Japanese Military Mentality."

Feb. 14, 1939

MEMO.

Dear Mr. Davies:

Regarding my visits to town properties during Japanese occupation, following is the record:

- August 17th - First visit to our office building in Kiukiang since the Japanese occupation. Was accompanied by the Executive Officer of the MONOCACY.
- Sept. 28th - Accompanied the Executive Officer on visit to the Missionaries. Did not visit our own property, but no request was made to this effect.
- Nov. 4th - Again visited home property as per special request made. Up to this time no other foreign interests had been allowed to visit their properties. Have no record of the visits made by officers of the MONOCACY, but during these months Kiukiang was field headquarters against Hankow and we knew that our property was O.K. and as no other nationals were allowed in town we did not press the matter.
- Dec. 17th - Believe this first date any other interests were allowed to visit properties, I.E. (A.M.Co. etc.)
- Dec. 18th -
20th - Visited town in conjunction with taking over Andersen Meyer property and visited this property on the 20th. Had free access at will to our property alone with Chinese interpreter who accompanied me.
- 27th - Visited Dr. Perkins and stopped at our property on return.
- Jan. 6th - Visited both our property and A.M.Co. All other foreign interests in town same day and I moved about the Bund district at will.
- Jan. 14th - Visited Danforth Hospital and no restrictions placed on visiting any place on Bund.
- Jan. 27th - Notified that no permission could be given to my proposed visit to A.M.Co. property on Jan. 28th and Consul Komori called on Jan. 31st or Feb. 1st to state that we could not visit any foreign properties in Kiukiang or be allowed ashore until "sometime later" and that all communications must be made through the Japanese S.M.O. to him. Military orders.

1t

3032

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

-2-

It is my feeling that during the period August 17th to January 27th, visits could have been made at any time sufficient pressure was exerted, but repeated requests for passes were refused and visits restricted unless we had a good reason to request the visit. Since the first visit on August 17th, property had been maintained in same condition, and complaints of our watchmen very minor up to and including our visit of yesterday.

(Signed) P. H. Benedict

(Manager, Standard-Vacuum Oil Co.)

Copied by CFS
Compared with *[Signature]*

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

Enclosure No. 4 to despatch No. 593, March 9, 1939, from
 Consul General P. R. Josselyn, Hankow, China, to the
 Embassy, Chungking, China, regarding "Conditions in
 Kiukiang and Observations on Japanese Military Mentality."

AMCONSUL HANKOW

INFO:

SECSTATE WASHINGTON

AMEMBASSY PEIPING

AMCONSUL SHANGHAI

February 16, 11 a.m. My February 13, 4 p.m.
 Situation in Kiukiang.

Yesterday I was again escorted by a Japanese
 army officer and gendarmes on visit to Kiukiang
 Americans.

With regard to Frick incident Mr. Frick told
 me he and his wife were on their way to call on
 another missionary, crossed street before reaching
 naval sentry posted on sidewalk half block from
 Japanese Consulate, started enter side street when
 summoned by sentry. They deferentially approached
 sentry prepared to show pass. Sentry then drunkenly
 seized Fricks and attempted shove them across street
 after which he departed for nearby billet. Nonplussed,
 Fricks awaited his return. When he came back he loaded
 clip of cartridges in rifle and pointed gun at Fricks.
 Tension resolved by intercession other Japanese sailors.


This morning I made verbal representations to
 Japanese Consul on Frick case.

Other missionaries report repeated discourtesy
 and minor intimidation from sentries. Their properties
 have also suffered from Japanese pilfering and looting
 which they prefer not to have made the subject of
 representations lest thereby they earn the more pro-
 nounced enmity of the Japanese military.

Kiukiang being an active base for southward opera-
 tions the military are resentful of the presence of
 foreigners in the city and view them with unconcealed
 suspicion.

Sent to Hankow, repeated to the Department, Peiping,
 Shanghai.

DAVIES

Copied by MYH
 Compared with 

1034

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

Enclosure No. 5 to despatch No. 593, March 9, 1939, from
Consul General P. R. Josselyn, Hankow, China, to the
Embassy, Chungking, China, regarding "Conditions in
Kiukiang and observations on Japanese Military Mentality."

U.S.S. OAHU

Kiukiang, Kiangsi, February 16, 1939

Dear Mr. Komori:

I regret that it is necessary for me to bring to
your attention the looting by Japanese soldiers of the
church at To Fu Heng (督府巷) belonging to the
Seventh Day Adventist Mission, an American institution.
The pillaging was done sometime before February 7, and
American property worth \$1,500. United States currency,
as evaluated by the mission, was taken. The building
was plainly marked with American flags and with posters
affixed by the Japanese Gendarmerie identifying the
property as being foreign-owned.

The same premises was on February 14, again
forcibly entered by Japanese soldiers who committed
petty thefts.

I must ask that you bring this violation of
American property rights to the attention of the
appropriate Japanese military authorities to the end
that measures be taken to prevent the recurrence of
similar incidents.

On behalf of my Government and the American
institution concerned I reserve all rights with respect
to claims which may be made for compensation of losses
sustained.

Respectfully yours,

John Davies, Jr.,
American Vice Consul, Hankow.

K. Komori, Esquire,
Japanese Consul,
Kiukiang.

Copy to Commanding Officer, Japanese Gendarmerie, Kiukiang.

Copied by CFS
Compared with M.D.G.

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

Enclosure No. 6 to despatch No. 593, March 9, 1939, from
 Consul General P. R. Josselyn, Hankow, China, to the
 Embassy, Chungking, China, regarding "Conditions in
 Kiukiang and observations on Japanese Military Mentality."

J. A. Frick, Director

H. W. Peng, Sec. Treas.

The Kiangsi Mission
 of
 Seventh Day Adventists
 41 Hsiao Giao Chang
 Kiukiang, Kiangsi.

February 19, 1939.

To the American Embassy at Shanghai
 To Mr. Davies, American Vice Consul at Hankow
 To Commander Jeffs, Commanding the U.S.S. Oahu.

Gentlemen:-

The last telegram, from the American Embassy at Shanghai, which you handed to me last Wednesday Feb. 15, stated that Pastor Geo. Appel and Dr. Miller, expect to be passing through here in the very near future. I am very anxious to meet with these men and they are anxious to meet with me. Under the present Japanese restrictions, or rather the yoke of suppression, we are not allowed to step outside of our compound door. All our passes and permits have been withdrawn from all the foreigners here in Kiukiang. Evidently again to make us acknowledge Japanese authority and Japanese power, to make life just as miserable as possible and to force us to leave the country and thus ensure full Japanese domination.

It is almost 8 months that we have been locked up or forced to live under these abominable conditions, since the Japanese occupation. Everywhere bayonets and guns point at us. When the Japanese first came we had three months where we lived in fear of death day and night. Many times the soldiers came into our compound or tore down the wall or the fence. Practically all our church property has been destroyed or has disappeared. Why are the soldiers so insistent to get into our property? The answer is clear before us. It is to loot, destroy and the search after women.

Now, it would seem that our State Diplomates would be interested in helping us in this deplorable condition and contact negotiations with the Japanese authorities to grant us at least a few humane rights.

1. To give us access to the American or the British gunboat in port.
2. To provide for mail and transportation facilities, to enable us to get in contact again with the outside world and be able to get stores and other necessary personal effects.
3. To ask the Japanese authorities to grant us a certain amount of personal liberty to make contact with the foreigners residing here and to be permitted to buy a few vegetables, such as there are, very limited indeed, which we need for our daily bill of affairs.

4. To

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

-2-

4. To be granted, since the Japanese are in control here, civil protection against looting and destroying foreign property, as well as personal protection.
5. That our Embassies arrange ways and means of contact with all their respective nationals here in the interior and assist them under the present circumstances.

Trusting that you will give this matter your unbiased attention, thanking you for your kind services,

Sincerely yours,

(Signed) J. E. Frick

P.S. Should Pastor Appel be passing through here in the next few days please make arrangements for us to meet them. In case Kuling should be occupied by the Japanese, arrange to make contact with the foreigners there. Feb. 20. Here we are still locked up and guarded with rifles and Bayonets. If something should happen to us, we would miserably have to perish without any method of help. This morning a hoard of dogs got into our compound and tore up my best goat, but there is nothing that we can do, we dare not go of the front door. Speak of suppression! There are plenty of rifles and bullets, but they say they are only for people and not for dogs.

Copied by CFS
 Compared with M.D.

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

Enclosure No. 7 to despatch No. 593, March 9, 1939, from
 Consul General P. R. Josselyn, Hankow, China, to the
 Embassy, Chungking, China, regarding "Conditions in
 Kiukiang and observations on Japanese Military Mentality."

U.S.S. OAHU

Kiukiang, Kiangsi, February 20, 1939.

Dear Mr. Komori:

I understand that the Kiukiang manager of the
 Standard-Vacuum Oil Company, an American concern, was
 on January 31, or February 1, 1939, informed officially
 that for some time to come he would be prohibited from
 visiting not only his company's property in Kiukiang
 but even the city itself. I further learn that Japanese
 military passes issued to American missionaries at
 Kiukiang allowing them limited movement in the city
 were withdrawn sometime before February 17. As a
 consequence, American missionaries in that city are
 now confined to their premises and are unable to
 proceed to the market to purchase necessary supplies.

You will recognize, of course, that there can be
 no justification in international law for the afore-
 mentioned restrictions imposed by the Japanese author-
 ities on the freedom of movement of Americans. I must
 therefore ask that measures promptly be taken to
 remove the present limitations on the freedom of
 movement of Americans at and between Kiukiang and
 Chinchipu.

Respectfully yours,

John Davies, Jr.
 American Vice Consul, Hankow.

K. Komori, Esquire,
 Japanese Consul,
 Kiukiang.

Copied by CFS
 Compared with Handwritten

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

Enclosure No. 8 to despatch No. 593, March 9, 1939, from
Consul General P. R. Josselyn, Hankow, China, to the
Embassy, Chungking, China, regarding "Conditions in
Kiukiang and observations on Japanese Military Mentality."

U.S.S. OAHU, Kiukiang

February 22, 1939

Memorandum: Restrictions on Americans in Kiukiang

This afternoon the American missionaries in the
city told me that they have been given passes by the
Japanese authorities permitting them freedom of movement
in the city. These passes are, of course, revocable
at the will of the army authorities.

The two American business men at Chinchow have
thusfar received no such passes. They are therefore
still unable to visit Kiukiang.

(Signed) JOHN DAVIES
John Davies

Copied by CFS
Compared with Handwritten

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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. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 1, 1939.

Tsingtao's despatch No. 402 of March 23 reports that a branch office of the Japanese Asia Affairs Board was established in Tsingtao, consisting of 5 naval and military officers headed by a naval captain who was formally inducted as "Highest" adviser to the municipality; that the latter officer bluntly warned local Chinese officialdom that he would supervise finances closely and permit no factional political activities; and that, in the Consul's opinion, the new office "will devote itself to economic matters to no little extent".

FE:Chase:REK

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

No. 402

Copy for Department of State.

From	To	By	For
G	Shibata	ONI-MID	

AMERICAN CONSULATE

Tsingtao, China, March 23, 1939.

SUBJECT: Asia Affairs Board Office in
Tsingtao.

Willys R. Peck, Esquire,
Charge d'Affaires ad interim,
American Embassy,
Peiping, China.

Sir:

I have the honor to report that on March 10
the office of the Japanese Asia Affairs Board was
formally established in Tsingtao. This consulate
understands that the Tsingtao office is a branch
of the office opened in Peiping at the same time
under the direction of Lieutenant General Kita.
At the head of the Tsingtao office stands Captain
Shibata, formerly Chief of the Japanese Naval
Special Mission here. At the time of the opening
of the Tsingtao office of the Asia Affairs Board
the personnel was not designated but it was announced
that Captain Shibata had appointed four officers who
had previously served in the local Japanese naval
and military special missions.

Upon his installation in office Captain Shibata,
according to the press, stated that he would devote
himself...

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N.I. AND M.I.D.

DIVISION OF
FAR EASTERN AFFAIRS
APR 26 1939
Department of State

793.94/14928

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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. Hunter NARS, Date 12-18-75

- 2 -

himself together with those Chinese "who have already awakened" to the construction of a new order in Eastern Asia. He stated that in regard to commercial and economic matters, he would need the assistance of experts. Captain Shibata then dwelt on Tsingtao's special position in the relations of this region with Japan; because of its excellent natural advantages as a harbor, Tsingtao might in the future attain a leading position in the establishment of a new order in Eastern Asia and in the development of North China. However, he pointed out that there were certain unsatisfactory matters which would have to be dealt with. He expected that Chinese and Japanese officials and civilians would cooperate in the development of a "Greater Tsingtao".

On March 15 a significant special ceremony was held in the Municipal Administration Building, when Captain Shibata was inducted as "Highest" Adviser to the Tsingtao Special Municipal Administration. In his inaugural speech, Captain Shibata again referred to the new order in Eastern Asia, to the special position which Tsingtao occupied in relation to Japan and to the need for cooperation in its development. The captain did not hesitate to refer to certain defects of Chinese officialdom, with special reference to the Peace Maintenance Commission which had functioned during the past year following the occupation of Tsingtao. He intimated that he would pay the

closest...

- 3 -

closest attention to matters of expenditure and finance in the municipal administration. Only persons of "special qualifications" would be engaged. There would have to be economy in the use of motor cars and in the consumption of gasoline. In closing his speech, Captain Shibata stated:

"* * * If there is any movement among you for the creation of factions or cliques, when this is discovered, I shall handle such matters with as much coldness and determination as the famous K'ung Ming exhibited in his execution of Ma Su.* * *"

It is too early to report on the activities of the Tsingtao office of the Asia Affairs Board and the effect thereof on the economic, political and cultural aspects of this region. However, it appears likely that this new office will devote itself to economic matters to no little extent.

Respectfully yours,

Samuel Sokobin,
American Consul.

800/810.1
SS/QML

In triplicate to Embassy, Peiping,
Five copies to Department of State,
Copy to Embassy, Chungking,
Copy to Embassy, Tokyo,
Copy to Consulate, Tsinan,
Copy to Consulate, Chefoo.

A true copy of
the signed original.
CMC

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

TELEGRAM RECEIVED

JR

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

Foochow via N. R.

FROM

Dated April 26, 1939

Rec'd 7:45 a.m.

Secretary of State,

Washington.

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

Division of
 FAR EASTERN AFFAIRS

APR 27 1939

April 26, 9 a.m.

Incendiary bombs were used in the air raids here
 yesterday and the business quarter in Foochow city
 also suffered from explosions and fires.

Four bombs were dropped on the Provincial
 Government house. All fires under control last night.

The objective of the destructive bombing in Nantai
 business section seems to have been the central bus
 station which however was not hit.

As in all the recent aerial attacks there was no
 indication of anti-aircraft or other resistance by the
 Chinese and bombing planes were able to fly and dive
 very low. In the past ~~they~~ *they have* been very accurate.

A bomb struck a paper mill south of the river
 held by Philippine company under mortgage but not
 considered entitled to protection American registration.

Whenever an air alarm sounds the streets are
 entirely cleared immediately. This area is crowded
 with refugees during the day but they return to the
 city at night. (SECTION TWO FOLLOWS).

CSB

ROWE

793.94/14929

F/FG

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

TELEGRAM RECEIVED

FROM

JR

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

Foochow via N. R.

Dated April 26, 1939

AMEMBASSY PEIPING

Rec'd 11:10 a.m.

Secretary of State,
Washington.

April 26, 1 p.m.

(SECOND SECTION of my telegram dated April 26, 9 a.m.)

Police protection has been adequate. Electric light and
telephone services have been restored and a responsible
official states that the authorities do not intend
to discontinue either "at least at present".

Naturally there is some anxiety among the foreigners
but the British Consul's suggestion that women and
children be evacuated met with a negative response by
his nationals at a special meeting. I have made no
such suggestion to American residents.

It is reported that the Norwegian ship PROMISE has
been confiscated with a cargo of wheat by the Japanese
and that Changmen forts have been bombarded again.

Referring to my telegram of April 14, 10 p.m., the
British Consul confidentially advises me that he has
been informed that the British naval authorities consider
a consular police guard unnecessary since they believe

the

0045

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

-2- April 26, 1 p.m., from Foochow via N. R.

the Japanese are following a policy of protracted intimidation in this region by frequent air raids and are not likely to attempt a land attack on this city in the immediate future. We discussed the subject with the Commander of the United States destroyer EDSALL during his visit and I acquainted him thoroughly with the special conditions obtaining here.

Both sections of this telegram sent to the Embassy the United States destroyer, repeated to Shanghai and Chungking.

ROWE

HTM:DDM

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

(CONFIDENTIAL)

PARAPHRASE

A telegram of April 26, 1939, from the American Consulate at Foochow reads substantially as follows:

In the air raids on Foochow on April 25, as in all recent air raids, bombing planes were able to fly and dive very low and there was no sign of anti-aircraft or other resistance on the part of the Chinese. They have been very accurate in the past. In the air raids on April 25 incendiary bombs were used and there were also fires and explosions in the business area of Foochow city. Last night all fires were under control. It appears that the central bus depot was the objective of the ruinous bombing in the Nantai business quarter. The bus depot was not hit, however. A paper mill south of the river held under mortgage by a Philippine company was hit by a bomb. This mill is not regarded as being entitled to the protection of American registration. There were four bombs dropped on the Provincial Government house. Immediately upon the sounding of an air alarm the streets are cleared entirely. In the daytime refugees crowd the area around the consulates but at night they go back to the city. Telephone and electric light services are again operating and at least for the present the authorities do not plan to

discontinue

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

CONFIDENTIAL

-2-

discontinue either of these services, according to the statement of a responsible official. There has been adequate police protection. There are reports to the effect that Changmen forts have again been bombed and that the Japanese have confiscated the Norwegian vessel Promise carrying a cargo of wheat.

The British Consul states confidentially that he has information that the British naval authorities are of the opinion that the Japanese will probably not in the immediate future try a land attack on Foochow and that they are pursuing by means of frequent air raids in this area a policy of prolonged intimidation. Therefore, the British naval authorities do not feel that a consular guard is necessary. During the visit of the Commander of the U.S.S. Idall the matter was discussed with him and he was informed in detail of the special conditions existing in Foochow. There is as might be expected a certain amount of uneasiness among the foreigners. However, at a special meeting of British nationals there was a negative response to the suggestion of the British Consul that women and children be removed from Foochow. No such suggestion has been made to Americans by the American consular officer.

793.94/14929

E.G.C.
 FE:Christenson:HES
 4-28

KK
 FE *my*

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

TELEGRAM RECEIVED

EG

GRAY

FROM

Tsinanfu via Tsingtao & N.R.

Dated April 24, 1939

Rec'd 8:30 a.m. April 27

Secretary of State,
Washington.

18, April 24, 1 p.m.

My telegram No. 16, April 14, 5 p.m.

One. According to the Japanese military authorities punitive expeditions were launched against Chinese troops and "Communist bandits" at Tsintung on April 16th, at Tawenkow on the 17th, at Feih sien and Wenshang on the 18th, and at Nankuantao, Yangku and Showchang on the 19th.

Two. In each case the Japanese claim that the enemy was "routed" and have continued to minimize the importance of the Chinese April offensive in Shantung. However, reports from other sources indicate that the Japanese have found it necessary or desirable to withdraw garrisons in many small towns and to concentrate their forces in the larger and more important places, thereby relinquishing control, at least for the time being, of some of the territory previously "occupied".

Repeated to Chungking, mailed to Peiping, Tokyo.

HAWTHORNE

KLP



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

FS

TELEGRAM RECEIVED

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

Peiping via N. R.

Dated April 26, 1939

FROM

Rec'd 11:50 p.m.

Secretary of State,
Washington.

of paraphrase
COPIES SENT TO
O.N.I. AND M.I.D.
in confidence

201, April 26, 5 p.m.

(GRAY) Peiping's 189, April 14, 4 p.m.

Division of
FAR EASTERN AFFAIRS

APR 27 1939

Department of State

193.9d

One. A party of foreign correspondents in Peiping and two Americans were flown to Kaifeng on the 24th in a Japanese military plane stopping en route at Sinhsiang, Honan, and returned here yesterday.

Two. The American correspondents furnished the following information obtained concerning recent events at Kaifeng: The Japanese garrison at Kaifeng had been greatly depleted due to the departure of many troops to pursue General Yu Hsueh Chung in the direction of Hsuehowfu, only a brigade remaining in Kaifeng; taking advantage of this fact Chinese troops belonging to General Sung Tung Hsuan's 22nd Division made a "half-hearted" attack early on April 11 on the Kaifeng railway station (half a mile south of the walled city), and also shot some trench mortar shells at the south gate; Chinese forces also attacked three cities near by capturing Tunghsu and Chenlu, about 20 and 15 miles, respectively, southeast

of

793.94/14931

F/FG

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

FS 2-No. 201, April 26, 5 p.m. from Peiping

of Kaifeng. On April 12 Japanese reinforcements arrived from Kweichow and Hsuehowfu and the Chinese retreated or were forced to withdraw; the Japanese claim that the Chinese were driven back to a point 75 miles south of Kaifeng. The various Chinese attacks were made by columns of 500 men each, the total Chinese forces involved in the operations amounted to about 2000 men.

Three. The correspondents were informed by an American missionary resident in Kaifeng that the inhabitants of the city were panic stricken by the attack and that the Japanese kept the city gates locked for six days. So far as could be ascertained, no coup d'etat occurred in the city. The correspondents talked with General Hu Yu Kun; the latter admitted that he had recently gone to Hsuehowfu and this may have accounted for the earlier reports of his death.

Four. The correspondents were shown construction work on the branch railway line the Japanese are building to connect Sinhsiang, north of the Yellow River on the Peiping-Hankow Railway, with the Lunghai Railway at Kaifeng; the road will pass through Yangwu and will cross the river in that vicinity, where it is now reported to be dry, on trestles. The Japanese stated that the branch
line

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

FS 3-No. 201, April 26, 5 p.m. from Peiping

line would be open May 5, but the correspondents do not believe this possible.

Five. The correspondents state that the Yellow River now leaves its former channel near Chingshui (northeast of Chengchow) where the principal Chinese breaches were made last year, and runs southeast, passing south of Kaifeng. They stated that the Japanese are building a dam across the old channel northwest of Kaifeng to divert southward any water which passes the upper breaches; the river will therefore be entirely diverted in a southwest direction, flowing to the Hungtzu Lake in Anhwei, Kiangsi.

Six. The correspondents, who were in Kaifeng ten months ago just after the Japanese capture of the city, reported no apparent change in the government was noticeable; the American missionary interviewed stated that the population was poverty stricken and reported 5,000 were being cared for in refugee camps. (END GRAY)

Seven. The correspondents stated that "Pacification Commissioner" General Hu Yu Kun apparently had no troops and was accomplishing nothing.

Repeated to Chungking; by mail to Tokyo.

KLP

LOCKHART

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

CONFIDENTIAL

(Confidential)

P A R A P H R A S E

A telegram (no. 201) of April 26, 1939, from the American Embassy at Peiping reads substantially as follows:

A party of foreign correspondents in Peiping and two Americans were flown to Kaifeng on the 24th in a Japanese military plane stopping en route at Sinhsiang, Honan, and returned to Peiping on April 25.

The American correspondents furnished the following information obtained concerning recent events at Kaifeng: The Japanese garrison at Kaifeng had been greatly depleted due to the departure of many troops to pursue General Yu Hsueh Chung in the direction of Hsuehowfu, only a brigade remaining in Kaifeng; taking advantage of this fact Chinese troops belonging to General Sung Tung Hsuan's 22nd Division made a "half-hearted" attack early on April 11 on the Kaifeng railway station (half a mile south of the walled city), and also shot some trench mortar shells at the south gate; Chinese forces also attacked three cities near by capturing Tunghsu and Chenlu, about 20 and 15 miles, respectively, southeast of Kaifeng. On April 12 Japanese reinforcements arrived from Kweitch and Hsuehowfu and

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

CONFIDENTIAL

-2-

and the Chinese retreated or were forced to withdraw; the Japanese claim that the Chinese were driven back to a point 75 miles south of Kaifeng. The various Chinese attacks were made by columns of 500 men each; the total Chinese forces involved in the operations amounted to about 2000 men.

The correspondents were informed by an American missionary resident in Kaifeng that the inhabitants of the city were panic stricken by the attack and that the Japanese kept the city gates locked for six days. So far as could be ascertained, no coup d'etat occurred in the city. The correspondents talked with General Hu Yu-kun; the latter admitted that he had recently gone to Hsuehowfu and this may have accounted for the earlier reports of his death.

The correspondents were shown construction work on the branch railway line the Japanese are building to connect Sinhsiang, north of the Yellow River on the Peiping-Hankow Railway, with the Lunghai Railway at Kaifeng; the road will pass through Yangwu and will cross the river in that vicinity, where it is now reported to be dry, on trestles. The Japanese stated that the branch line would be open May 5, but the correspondents do not believe this possible.

The

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

-3-

The correspondents state that the Yellow River now leaves its former channel near Chingshui (northeast of Chengchow) where the principal Chinese breaches were made last year, and runs southeast, passing south of Kaifeng. They stated that the Japanese are building a dam across the old channel northwest of Kaifeng to divert southward any water which passes the upper breaches; the river will therefore be entirely diverted in a southwest direction, flowing to the Hungtzu Lake in Anhwei, Kiangsi.

The correspondents, who were in Kaifeng ten months ago just after the Japanese capture of the city, reported no apparent change in the government was noticeable, the American missionary interviewed stated that the population was poverty stricken and reported 5,000 were being cared for in refugee camps. Seemingly General Hu Yu-kun (so-called Pacification Commissioner) had no soldiers and was achieving nothing, according to the correspondents.

793.94/14931

egc.
 FE:KGC:JPS
 4-28

FE
 new

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

TELEGRAM RECEIVED

FROM

AC

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (Br.)

Foochow via N. R.

Dated April 26, 1939

Rec'd 3 a.m., 27th

Secretary of State

Washington

April 26, 8 p.m.

Number killed in yesterday's air

estimated between 130 and 160 although figures are
 not available officially. First reports were based on
 bodies in the streets but hundreds of people crowded
 into shops on hearing the alarm and dead and wounded were
 burned alike in the ensuing fires.

To Peiping repeated to Chungking, Shanghai.

ROWE

PEG

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

Division of
 FAR EASTERN AFFAIRS

APR 27 1939

Department of State

793.94/14932

F/FG

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

(Confidential)

P A R A P H R A S E

A telegram of April 26, 1939, from the American
Consulate at Foochow reads substantially as follows:

The basis of the first reports in regard to the casualties in the air raids of April 25 was the bodies in the streets. However, on hearing the alarm hundreds of persons crowded into the stores and also wounded and dead were burned in the fires which followed the bombing. Although official figures are not available it is estimated now that between 130 and 160 persons were killed in this latest air raid.

793.94/14932

290.
FE:EGC:JPS
4-28

FE
raw

105

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

793.94

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Tsingtao/128 FOR #400 to Embassy

FROM Tsingtao (Sokobin) DATED March 8, 1939.
TO NAME 1-1127 ***

REGARDING: Sino-Japanese situation: developments for the month of February,
1939.

FRG.

793.94/14933

14933

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

2. Japan

In the military field, the comparatively small number of Japanese troops in Tsingtao attracted some attention. The campaign against Haichow explained the withdrawal of troops from this city. Successes of the Japanese were also reported in the region north of the Tsingtao-Tsinan Railway in the Shantung promontory, the campaign of the Japanese in this region

- 7 -

region apparently being directed to open the principal highways and to hold the more important cities along the accustomed transportation routes.

0059

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

793.94

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Hankow/140 FOR #572-

FROM Hankow (Jarvis) DATED March 11, 1939
TO NAME 1-1127 070

REGARDING: Sino-Japanese conflict: developments for the month of Feb.,
1939.

FRG.

793.94/ 14934

14934

7061

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

1. Course of Hostilities.

Japanese military activities in the vicinity of Kiukiang during mid-February indicated preparations for a campaign apparently to be based on that city. Large quantities of supplies, artillery and tanks were during that period unloaded at Kiukiang, although

practically

*Hankow's despatch No. 571, March 9, 1939, Conditions in Kiukiang and Observations on Japanese Military Mentality.

**Various telegrams from Davies at Kiukiang on Kuling evacuation and memorandum by him dated February 26, 1939, covered by Hankow's despatch No. 570, March 9, 1939, Evacuation of Americans from Kuling.

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

Political report
 February 1939
 Hankow, China

-5-

Practically no troop movements were observed. Before the larger operations obviously being prepared for could be launched, it was necessary, out of elementary military considerations, to eliminate the Chinese forces at Kuling threatening the Kiukiang base. The Japanese attack on Yuling was reported to have begun on February 23.

Observers at Kiukiang were of the opinion that the objective of the main campaign, however, would be Nanchang. The Japanese have been able since last summer to advance little beyond Tehan (德安) in the direction of that objective. Tehan is understood to be at present their most advanced position between Kiukiang and Nanchang.

The latter part of February saw considerable Japanese activity on the Han river front. There had, however, been no heavy troop and supply movements through Hankow in January or early February. Furthermore, little military or economic advantage would appear to be obtainable by the Japanese at the present time through the capture of Ichang and Shasi. Therefore, the Han river sector operations were interpreted as having one or all of the following purposes: (1) to mop-up Chinese troops along the river; (2) to keep the Chinese forces in the Fifth War Area engaged, thus preventing their transfer to other fronts; and (3) to supply propaganda material and news of victories for domestic consumption in Japan.

A Japanese

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

Political report
February 1939
Hankow, China

-6-

A Japanese estimate* of the Chinese forces "in the vicinity of Wuhan" is as follows:

Regular troops	74,700
Defeated troops	13,200
Local brigands	13,540
Querillas	3,100
Communist forces	1,800
San Min Chu I Youth corps	200

Total 106,540

The foregoing figures are believed to be a reasonable estimate for the area within a fifty mile radius of the Wuhan cities. It is readily conceivable, however, that the estimate of the number of local brigands should be revised well upwards and that for regular troops decreased.

The propinquity of organized Chinese forces to Wuhan is illustrated by repeated reports that General Kuo Chan (郭 懋), the last Chinese garrison commander of Wuhan, had in February his headquarters at Chu Ju Shan (侏 儒 山) some 25 miles to the west of Hanyang.

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

TELEGRAM RECEIVED

REB

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

FROM SWATOW VIA N.R.

Dated April 27, 1939

Rec'd 6:51 p. m.

Secretary of State,
Washington.

of paraphrase
COPIES SENT TO
N.I. AND M.I.D.
in confidence
APR 28 1939
Division of
FAR EASTERN AFFAIRS
Department of State

793.94
note
393.115 Texas Oil Co.

6, April 27, 5 p. m.

During the course of three air raids this morning by a Japanese bombing plane eleven bombs dropped in the vicinity of electric power plant demolished a peanut oil extracting factory, killed eight Chinese outright, seriously injured three, and wounded six slightly. Bomb fragments struck Texas Oil Company property without casualties or damage.

It is reported that there are one Japanese cruiser, one destroyer, and one armed trawler anchored *in the bay.*

Repeated to Chungking, Peiping.

YOUNG

NPL

EMB

(*) Apparent omission

793.94/14935

F/FG

FILED

0064

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

Confidential

CONFIDENTIAL

PARAPHRASE

A telegram (no. 8) of April 27, 1939, from the American Consul at Swatow reads substantially as follows:

One Japanese destroyer, one armed trawler, and one cruiser are anchored (*), it is reported.

A Japanese bombing plane which made three air raids on the morning of April 27 dropped 11 bombs in the neighborhood of the electric power plant. These bombs killed outright eight Chinese, injured six slightly and three seriously, and wiped out a peanut oil extracting factory. The property of the Texas Oil Company was hit by fragments of the bombs but no damage or casualties resulted.

793.94/14935

290.
FE:EGC:HJN
4/28

FE *new*

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

793.94

DOCUMENT FILE

NOTE

893.5034/367

SEE 893.00/14266 FOR #2059

FROM Shanghai (Gauss) DATED March 17, 1939
TO NAME 1-1127 ***

REGARDING: Sino-Japanese conflict.
Comments on-, by Mr Kenji Kodama, President of the Central China
Development Company, with reference to operations of this comp
any.

FRG.

793.94/ 14936

14936 -

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

793.94

DOCUMENT FILE
NOTE

SEE 890.00/140 FOR Memorandum
State Department
Far Eastern Division
FROM (...Salisbury...) DATED April 20, 1939.
TO NAME 1-1127

REGARDING: Situation in the Far East: Sino-Japanese conflict.
Developments of past week, in review.

793.94 / 14937

FRG.

14937

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

DOCUMENT FILE

NOTE

SEE 740.00/1192 Confidential File FOR Tel. #670, 7 p.m.

FROM Great Britain (Kennedy) DATED Apr. 27, 1939
 TO _____ NAME _____ I-1127 ***

REGARDING: Japanese becoming a little more reasonable due to
 their own situation becoming a little more
 untenable; Halifax said their information
 indicated that the-

mb

793.94 -/14938

793.94
 14938

7068

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

TELEGRAM RECEIVED

FROM

EDA
This telegram must be
closely paraphrased
before being communi-
cated to anyone (BR)

FOOCHOW VIA N.R.

Dated May 1, 1939

Received 1:10 p.m.

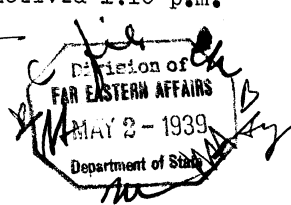
793.94
Secretary of State *of paraphrase*

Washington *SENT TO*

ONE AND MILD
in confidence

May 1, 3 p.m.

Two air raids so far today.



In the first four planes bombed the party headquarters,
police college, Minhou magistrate's offices and the old
radio broadcasting station all in the city.

In the second raid during a steady rainfall eight
airplanes concentrated fourteen bombs on Middle Island
thickly populated and crowded with people who fled from
the mainland for safety. Casualties not yet known.
Two incendiary bombs caused a large conflagration but
rain prevented its spreading. This bombing took place
about four hundred yards from the Consulate and its objective
was apparently the Navy Club. No damage to American property.

April 28 three bombings at Kuantou down the river are
reported to have killed and wounded 28 persons and demolished
20 buildings. Two lighters loaded with imported goods
were burned.

To Peiping, Chungking, Shanghai.

ROWE

793.94/14939

F/FG

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of May 1, 1939, from the American Consulate at Foochow reads substantially as follows:

It is reported that down the river at Kuantou twenty-eight persons were killed and wounded, twenty buildings were destroyed, and two lighters loaded with imported goods were burned as a result of three bombings which took place on April 28.

On May 2 in Foochow there had been two air raids up to three o'clock in the afternoon. The police college, the old radio broadcasting station, offices of the Winhou magistrate, and the party headquarters (all located in the city) were bombed by four airplanes in the first raid. During a steady rainfall fourteen bombs were concentrated on Middle Island by eight airplanes in the second raid. As yet it is not known what the casualties were. The people fled for safety to the mainland from Middle Island which is thickly populated and crowded. No American property was damaged. Apparently the Navy Club was the objective of this bombing which occurred about twelve hundred feet from the American Consulate. A large conflagration which was prevented by rain from spreading was caused by two incendiary bombs.

793.94/14932

FE:Christenson:HES
 5-2

FE: [initials]

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

HRE

TELEGRAM RECEIVED

This message should be
closely paraphrased be-
fore being communicated
to anyone (Br)

SWATOW VIA NARS
Dated May 1, 1939

FROM

Rec'd 7:15 p.m.

Secretary of State

Washington

7, May 1, 5 p.m.

5, April 21, 4 p.m., regarding the question of

evacuation of Chinese.

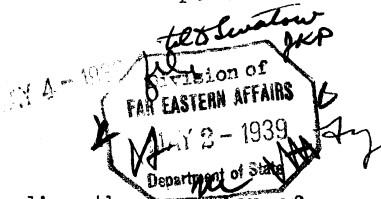
The compulsory evacuation from Swatow inland of all Chinese women workers, numbering about 2000, in linen industry is now being considered by the military authorities. This will force the closing of all American linen firms in Swatow. Should invasion of Swatow become imminent I believe that evacuation of these workers will be accomplished voluntarily and that the use of compulsion is not justified. In this view my British colleague concurs. It is my understanding that the local civil authorities do not approve of this move on the part of the military, but are powerless.

Would it be appropriate for the Embassy at Chungking to take this matter up with the higher military authorities in order that American business may continue?

Repeated to Chungking Peiping.

NK:NPL

YOUNG



793.94/14940

F/FG

793.94
note
393.115

0071

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

13556

PREPARING OFFICE
 WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED
 X CONFIDENTIAL CODE X
 NONCONFIDENTIAL CODE

Collect

Charge Department

Department of State

OR

Charge to

Ben

Washington,

NAVAL RADIO

1939 MAY 4 PM 6 13

May 4, 1939

AMERICAN CONSUL,

SWATOW (CHINA) Via N.R.

INFO: AMEMBASSY, CHUNGKING (CHINA).
 AMEMBASSY, PEIPING (CHINA).

✓ 1. Your 7, May 1, 5 p.m., evacuation of women workers
 in linen industry.

Your telegram under reference does not repeat not
 indicate (a) whether the envisaged evacuation of Chinese
 women workers is general or whether it applies only to
 those in the linen industry or (b) whether the affected
 women workers are employed by American organizations or
 by Chinese firms.

If no repeat no discrimination against American
 business is involved, the Department would not repeat not
 feel warranted in authorizing an approach to the Chinese
 authorities in regard to the envisaged evacuation. In
 giving further consideration to this question you should
 bear in mind the undesirability of this Government's
 making representations which might result in keeping women
 noncombatants in Swatow where they would be subject to
 exposure to the dangers of bombing and other military
 operations.

Repeated to Chungking and Peiping.

Enciphered by

Sent by operator

M.,

19

793.94/14940

D. C. R.—No. 50

FE:JKP:HJN

1-1402

U. S. DEPARTMENT OF STATE

FE

PA/H

793.94/14940

F/FG

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

TELEGRAM RECEIVED

JR

GRAY

FROM Tsinanfu via Tsingtao & N.R.

Dated April 28, 1939

Rec'd 9 a.m., May 2.

Secretary of State,
Washington.

19, April 28, 5 p.m.

My telegram No. 18, April 24, 1 p.m.

One. As a result of Japanese military pressure in northern Kiangsu the main body of General Yu Hsueh Chung's forces withdrew to the mountainous regions of southern Shantung in the Feih sien area, from which position Japanese efforts to dislodge them have so far been unsuccessful and costly, according to reliable information. It is understood that three Japanese attacks launched during the past week have been repulsed and that the Japanese suffered heavy losses in both men and material.

Two. Military demands for rolling stock have precluded the possibility of freight shipments in carload lots by the Tsingtao Tsinanfu Railway since the first week in April.

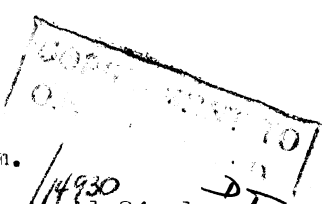
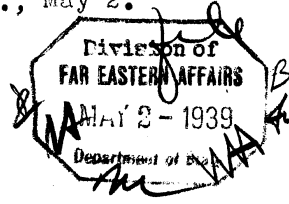
Repeated to Chungking, mailed to Peiping and Tsingtao.

HAWTHORNE

KLP

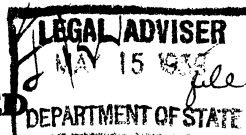
793.94/14941

F/FG



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

TELEGRAM RECEIVED



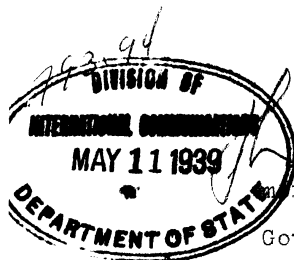
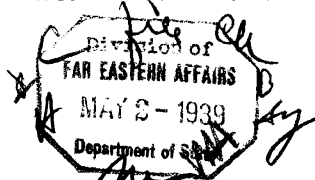
JR
This telegram must be
closely paraphrased be-
fore being communicated FROM
to anyone. (br)

Foochow via N. R.

Dated May 2, 1939

Rec'd 10:30 a.m.

of paraphrase
SENT TO
Secretary of State, M.D.
Washington. *in conf. DeWitt*



May 2, 4 p.m.

This morning six Japanese airplanes conducted two
raids on this city. In both cases various
Government offices in the City of Foochow were heavily
bombed and after flying low over this section and
Nantai for some time the planes proceeded to the gap,
where the road to Amoy traverses mountains, presumably
to attack those leaving the city to seek refuge to the
south. There was considerable use of machine guns.

DT I have been unable to obtain reliable information
(?? yesterday's) concerning casualties but the Chinese are believed not
to exceed 20 killed. A bomb today fell within 200 yards
DT of Union Memorial Hospital but damage to the American
property is reported to be very small. Shipping has
almost come to a standstill due to port disturbances
and destruction of cargo boats laden with imported
merchandise.

Sent to Peiping, Chungking, Shanghai.

ROWE

CSB

793.94/14942

F/FG

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

CONFIDENTIAL

(Confidential)

P A R A P H R A S E

A telegram of May 2, 1939, from the American Consulate at Foochow reads substantially as follows:

On account of port disturbances and the destruction of cargo boats loaded with imported goods there is an almost complete standstill in shipping. Different Government offices in Foochow City were bombed heavily during the course of two air raids on the city by six Japanese airplanes on the morning of May 2. Presumably for the purpose of attacking refugees leaving the city for the south the airplanes, after flying low for some time over Nantai and the area of the consulates, went on to the gap where the Amoy road crosses the mountains. Although reliable information in regard to the number of casualties has not been obtainable, it is believed that the number of Chinese killed is not more than twenty.

A bomb dropped within 600 feet of the Union Memorial Hospital. However, very little injury to the American property is reported.

793.94/14942

29C.
 FE:EGC:JPS
 5-3

FE
 NEWS

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 5, 1939.

Shanghai's despatch no. 2107 of April 12 encloses Marine intelligence summaries for March which include the following items of interest:

It was "learned" that T. V. Soong was leaving soon for America (report of March 4, p. 7).

Shipment of trucks through Haiphong to interior China was resumed energetically and new trucks entered Kwangsi at the rate of 30 daily (report of March 4, p. 7).

As a result of constant clashes with guerrillas, the Japanese have lost half of their original force in Hopei (report of March 18, page 2).

"Chinese of all classes in the north are unboundedly enthusiastic over the Eighth Route Army" (report of March 18, page 3).

Chinese aviation was more offensively active than at any time during recent months (report of March 18, page 5).

Chinese silver bullion amounting to about U.S. dollars 10,000,000 was exported, presumably to London or New York (report of March 25, page 6).

793.94/14943

FE:Chase:JPS

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

No. 2107

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN CONSULATE GENERAL

Shanghai, April 12, 1939.

SUBJECT: Intelligence Summaries for
the Month of March 1939.

THE HONORABLE
Stanton
THE SECRETARY OF STATE,

WASHINGTON.

SIR:

I have the honor to refer to my despatch no.
1/ 2039 of March 8, 1939, and to enclose, as of
possible interest to the Department, copies of
intelligence summaries for the month of March
1939, prepared by the Intelligence Officer of
the United States Fourth Marines.

Respectfully yours,

C. E. Gauss
C. E. Gauss
American Consul General

Enclosure:

1/- Intelligence summaries
for March 1939.

800
EFS MB

In Single Copy.

Copy to Embassy, Peiping.

Copy to Embassy, Chungking.

DEPARTMENT OF STATE
MAY 11 1939
A.M.
ASSISTANT SECRETARY
OF STATE

OFFICE OF THE ADJUTANT
GENERAL
INTERNATIONAL
MAY 15 1939
DEPARTMENT OF STATE

Division of
FAR EASTERN AFFAIRS
MAY 4 - 1939
Department of State

793.94/14943

F/FG 14943

0077

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

JSM/DECLASSIFIED

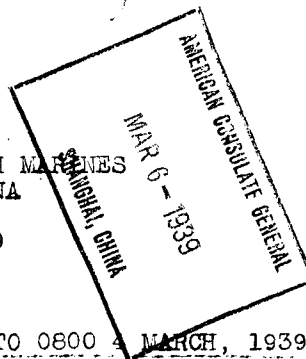
E.O. 11652, Sec. 3(E) and 5(D) or (E)

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA

OSD letter, May 3, 1972

By AG NARS Date 3/9/73

4 March, 1939



RESTRICTED:

R-2 REPORT, PERIOD 0800 25 FEBRUARY, TO 0800 4 MARCH, 1939:

MILITARY OPERATIONS:

With the favorable weather that now prevails in Central China, the Japanese have resumed active military operations in HUPEH. These operations consist of a two column movement to the west from HANKOW, with TSACYANG, major base in the Chinese Fifth War Zone as the apparent immediate objective.

One column advancing toward SHAYANG, on the HANKOW-ICHANG route, occupied YUNTIEN, a small town about 30 kilometers northeast of SUHSIEN, after stiff Chinese resistance all the way.

The second column advanced to KINGSEAN and dislodged the Chinese troops entrenched in the mountains in the vicinity of NANSHANLIAC and CHINGLUNGSHAN, 25 kilometers to the southwest of KINGSEAN.

It is reported that Chinese troops under General Wang Tsang-hsu, at KINGSEAN and ICHANG, are moving eastward, under orders from General Chiang Kai-shek, to attempt to check the Japanese advance.

The extent of this drive is hard to determine, for it seems improbable that the Japanese intend to make any great penetration to the west, as for the past three weeks all reports indicate that large detachments of troops have been moved out of Central China to the north.

When the terrain west of Ichang is considered, with its narrow defiles as the only means of transporting artillery and other military supplies, Japanese penetration further west of Ichang seems even more improbable.

It is possible that the Japanese only intend to advance to ICHANG, thereby closing all the territory east of the mountain passes, preventing the Chinese from transporting troops through these narrow defiles and then deploying in the open country east of ICHANG.

CHEKIANG PROVINCE:

The Japanese naval authorities issued an official communique on March 2nd, to all foreign ships, stating that they were to keep 40 miles away from the estuary of the SHEYANG RIVER, near WETCHOW, in CHEKIANG province, by sunrise on March 4th.

The Japanese authorities have decided to resort to special operations along the river to mop up remnants of Chinese troops who have been utilizing the river to transport supplies.

Foreign vessels, which stay within a 40 mile radius, will do so at their own risk.

During the past few weeks Japanese forces have been attempting to stop the inflow of supplies along the CHEKIANG coast. The port of HAILIEN was blockaded a short period ago. The rivers in CHEKIANG province afford an excellent means of transportation from the coast inland to the HANGCHOW-NANCHANG railway. This railway has also been receiving Japanese attention which has been in the form of occasional bombings of the larger cities located along this rail route.

KULING:

On the day following the evacuation of 47 foreigners from KULING Japanese forces, under cover of an artillery barrage, launched an assault on the Chinese positions in that area. According to a Chinese despatch from KULING the Japanese forces are claimed to have been repulsed.

AVIATION (JAPANESE)

HUPEH:

Japanese Army Aircraft, assisting ground forces in their westward drive into HUPEH, bombed SHAYANGCHEN and the surrounding

AVIATION JAPANESE CONT'D:

vicinity on the banks of the HAN RIVER on February 27th. It is reported that thirty junks loaded with Chinese soldiers were sunk while fleeing across the HAN RIVER.

A squadron of Japanese Army planes raided ANLU on the afternoon of March 1st. Junks, military establishments and 3,000 Chinese troops were reported bombed in this raid.

KWANGTUNG:

FOHANG, 100 kilometers north of CAITON was bombed on March 1st. It is reported that a wireless station and troop concentrations were hit.

KIANGSI-CHEKIANG:

Japanese Naval Aircraft, resuming "preventive" bombing operations against Chinese military airdromes in CENTRAL CHINA, attacked Chinese air fields at YUSAN and LUETI, in KIANGSI, and CHUNSIEN in CHEKIANG, on the 3rd of March. These towns are located on the CHEKIANG-KIANGSI railway.

CHUAI, KINEMA and LANCHI, situated along the CHEKIANG-KIANGSI railway have been bombed recently. These bombings are thought to be a "preventive measure" by the Japanese against military supplies reaching the Chinese via this railroad.

SHENSI: The populace of SIAN, capital of SHENSI province, are seeking refuge from a possible Japanese air raid by building "dug-outs" in the city walls; into the sides of MOUNT UCHUAN, in the southern part of the city, and along the steep banks of the JEI RIVER, a YELLOW RIVER tributary.

Subterranean hangars have been dug at the SIAN airdrome, while heavy anti-aircraft positions were set up on the south bank of the JEI RIVER and the MOUNT UCHUAN area.

7080

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

AVIATION (CHINESE)

According to Chinese reports Chinese guerrillas on the night of February 19th raided the Japanese airfield at YINGCHEN, in HUPEH province, setting on fire 12 Japanese planes.

Guerrillas are claimed to have also made a raid on a Japanese airdrome at YUNGCHANG in south west SHANSI.

ECONOMIC:

The import and export regulations ordered for NORTH CHINA by the Provisional Government go into effect March 11th, when exports of specified products will be authorized by the Customs on production of an "exchange selling certificate" showing that the necessary exchange at the rate of \$3.65 per US dollar has been sold to the Federal Reserve Bank. The prevailing rate for these Federal Reserve notes is \$6.30 per US dollar.

This new regulation applies to goods going from all ports north of TSINGTAO, to Central and South China as well as to foreign countries, except to Japan and Manchoukuo, where the merchant must use the exchange rate on the basis of dollar for yen. Changing to yen however, is of no advantage as the same condition prevails as to the artificial exchange rate of the yen as does the Federal Bank notes.

The controlled merchandise comprises eggs, egg products, walnuts, groundnuts, groundnut oil, tobacco leaf, vermicelli, coal, woolen carpets, cotton carpets, straw, bread and salt. Cotton is not included, but this commodity is, at present, controlled under the Japanese regulations.

The purpose of this exchange regulation is to build a fund out of the difference between the artificial and real values of the currency, to finance imports.

In perpetuating this robbery, the Japanese use the very subtle method of having the Provisional Government, whom the foreign powers do not recognize, and therefore cannot logically protest, act as sole instigator of these regulations.

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

POLITICAL:

Although Premier Hiranuma has repeatedly denied it, Japan's 49 year old experiment in **parliamentary** government is extinct. The past year, with its ever increasing demand for a united national front to withstand the pressure of war in China, the unbalanced economy and rising living costs, have eliminated all opposition to the one party or Fascist State.

The formation of a single totalitarian political unit is the direct result of the sweeping victory of the military over the nation's only other powerful and organized governing group, the industrial and capitalist interests.

Today this single party, controlled by the military, is using the cabinet to regulate industry and finance, to limit profits, direct international affairs and regiment every phase of national life on what appears to be a permanent wartime footing.

An interesting item to note was the recent passage of the 1939-40 budget for the fiscal year. This budget for Yen 3,694,000,000 was passed unanimously by the house of Representatives, although it is generally conceded that when the military and other special demands are added, the total for the fiscal year will be in the neighborhood of yen 10,000,000,000.

Such a budget means large increases in taxation. Yet how this increase is going to be met is not at all clear, when it is noted that the people are demanding that the government check the undue advances of commodity prices on one hand and curtail inflation with the other. In regards commodity prices, the rise in prices last year was 6.8% and 21.2% over the last two years. During the same time world prices have declined by more than 10%, while actual retail prices in Japan have shown a greater rate of advance than wholesale prices.

POLITICAL CONT'D:

While from the figures one cannot infer that Japan is on the verge of economic break-down, or that inflation must necessarily get out of hand in the near future. It shows that the economic situation is steadily deteriorating, which in turn brings a general lowering of the standard of living. So while Japan claims to abhor fascism, the divergent demands on the government are causing Japan's present rulers to exercise such power in practically every department of commercial and economic activity, to bring her very closely to that form of government which is now in full flower in Germany and Italy.

SOVIET-JAPANESE BORDER DISPUTE:

Japanese patrols are reported to have repulsed the attempt of three Soviet soldiers to cross the eastern Soviet-Manchoukuo border on February 26th. According to the report one Soviet soldier was killed and one was taken prisoner. The attempt was made on a hill four kilometers north of the number 1 Border Post, about 35 kilometers north of the eastern border town of SUIFENHO.

A report from HARBIN on February 25th states that another positive clash between Japanese and Soviet troops has occurred near LIUFIEN, on the ARGUN RIVER. The fighting is said to have involved 50 Soviet cavalrymen, and Japanese border patrols, and is said to have lasted for two hours.

SOVIET-JAPANESE FISHERY DISPUTE:

Preparations are being speedily completed by Japanese fishing fleets to sail into the disputed area although no agreement has been reached in regard to Soviet Russia's determination to auction off the disputed fishing lots.

The fleet numbering more than 150 fishing boats manned by approximately 20,000 fishermen are assembled in HAKODATE in northern Japan waiting for the first sailing in April. It is reported that regardless of the outcome of the dispute the Japanese fishing fleet will sail for the fishing grounds this season.

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

SOVIET-JAPANESE FISHERY DISPUTE CONT'D:

In 386 fishing lots scattered along the coast of Eastern Siberia, which extends some 6,000 miles, about 20,000 fishermen from Northern Japan have been engaging in fishing for many years past. The total amount of the haul taken here reaches approximately 50 million yen a year. Of this amount about 30 million yen worth is exported to foreign countries as canned goods.

Canneries have been set up along the coasts of the SEA of OKHOTSK and the BERING Sea, where the most valuable fisheries are shore lots in the estuaries of a number of rivers. There is a doubt whether Japanese fishermen would be able to operate such shore-lots in the face of Soviet opposition as it would be difficult for Japanese naval vessels to protect them. It is reported that a squadron of eight cruisers is being concentrated at RASHIN in northern KOREA and other naval vessels in northern Japan, prepared for eventualities.

A conference at MOSCOW on February 28th between the Japanese Ambassador and the Russian Foreign Affairs Commission proved fruitless as both clung to the views expressed in previous conversations.

MISCELLANEOUS:

T. V. SOONG TO AMERICA:

It has been learned from a reliable source that Mr. T.V. Soong of the Chinese Central Government is departing from China for a trip to the United States. He will travel by clipper ship and is leaving either March 4th, or on the next scheduled trip. The object of his visit to the States is to arrange a loan.

HAIPHONG:

Transportation of motor vehicles to the China interior has been resumed with increasing vigor in HAIPHONG as the ban on cargo unloading and longshoremen activity appears to be lifted.

It is reported that 30 trucks a day are shipped to KWANGSI most of which are Fords and Levoirs.

7084

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


MISCELLANEOUS CONT'D:

OUTER MONGOLIAN RAILWAY:

Domination of outer Mongolia by the Soviet Union, has been strengthened by the completion of a 600 kilometer railway between ULANUDE and ULAN BATOR according to a recent report. This railroad is expected to become an important factor for the transportation of arms to the Chiang Kai-shek regime from the Soviet Union by way of ULAN BATOR and SUCHON in KANSU province.

KOWLOON:

Japan has paid \$20,000 to the Government of HONGKONG as compensation for the loss of lives and damage caused by the bombing of British territory in KOWLOON, near the Chinese border, by Army Aircraft on February 21st. It will be recalled that one Indian policeman and 11 Chinese were killed by the bombing which also wrecked a blockhouse on British territory.


J. S. MONAHAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

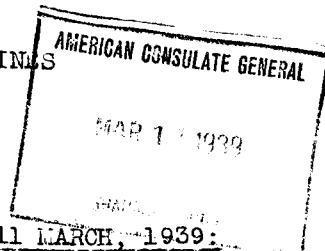
7084

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
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JSI/am

HEADQUARTERS, FOURTH MARINE
SHANGHAI, CHINA

11 March, 1939.



RESTRICTED:

R-2 REPORT, PERIOD 0800 4 MARCH, TO 0800 11 MARCH, 1939:

MILITARY OPERATIONS:

CENTRAL CHINA:

The Japanese forces operating west of HANKOW are estimated to be about one division, which is reported to be the 16th. They are opposed by three Chinese Armies. The 39th (52nd and 56th Divisions) under General Liu Ho Ting; the 59th (38th and 180th Divisions) under General Li Wen Tien and the 68th (40th and 143rd Divisions) under General Liu Ju ling. The Chinese forces are extended from ICHENG on the HAN RIVER through KICHEN and TANGYANG to the YANGTZE RIVER.

During the week Japanese made an attack on ANLU, in three columns. One of these columns, consisting of about 4,000 men, pushed along the KICHEN-ANLU highway and the other two columns fought their way north from KIULOW to ANLU.

On the 7th of March, the three columns converged on ANLU, taking the city after stiff fighting.

Leaving a garrison of 500 men to hold ANLU, the Japanese immediately continued their drive. Two columns continued along the east bank of the HAN RIVER in the direction of FANCHENG, which is on the SIAN-HANKOW highway and is considered the door into SHENSI province. These two columns, however, have been stopped on the outskirts of ICHENG on the HAN RIVER.

The other column left ANLU in the direction of SUHSIEN. This column has not been reported on since its departure.

On the 9th of March, Chinese mobile units counter-attacked the garrison left at ANLU from the north and east. The Japanese in this town are still fighting bitterly to hold the town until they can be reinforced.

CENTRAL CHINA CONT'D:

The object of the campaign is undoubtedly to deny passage of war materials from CHUNGKING through the gorges back of ICHANG through which the Chinese have been supplying their Armies in HUBEI province.

A drive on SIAN in SHENSI could be launched from this area with very good chances for success, as the full weight of the Japanese superior equipment could be brought to bear. The Japanese 13th division has tried repeatedly, all winter, without success, to take this city by crossing the YELLOW RIVER.

NORTHERN CHINA:

The Japanese commenced a drive into KIANGSU, by taking HAICHOW and NANCHENG on the 4th of March.

This attack was carried out by several columns. One column advanced on HAICHOW from ICHOW, in the southeast of SHANTUNG. The garrison stationed at SUTSIEN made up a second column, while the troops based at ANTUNGWEI on the SHANTUNG-KIANGSU border made a third. These three columns were reinforced by a landing party put ashore at IER at the mouth of the KWAN river.

After the fall of HAICHOW the combined Japanese forces captured FOJNING on the SHEYANG river. This operation was carried out by two detachments; one being the combined forces, minus the garrison left to hold the previous captured cities, that had combined to capture HAICHOW. The other was composed of a Naval Landing Party that attacked from the east by way of the SHEYANG river.

The Japanese claim this area was held by seven Chinese divisions. This is doubtful, although KIANGSU has been the scene of intensive guerrilla activity ever since the fall of NANKING. The 4th Route Army also operates in this province, using the area in the triangle made by CHILLING, LUYUNG and TANYANG as a base.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
 Department of State letter, August 10, 1972
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AVIATION (JAPANESE)

Japanese aviation during the past week carried out bombing raids at several cities spread throughout northern, central, and southern China.

The most extensive operations were directed at the so-called "Red Route" through LANSU to Russia. Raids were made on towns as far distant as YUNGCHANG, 300 kilometers northwest of LANCHOW. No great damage was done in this area as the Japanese aviators seemed to content themselves with dropping a few bombs on the most important towns extending from YUNGCHANG to the eastern section of the province. The planes participating in these operations are reported to have met with no resistance on either March 7th or 8th the days on which raids were made.

A total of 17 bombs were dropped on American Church Mission properties by Japanese aviators raiding ICHANG on March 7th & 8th. American flags were said to be prominently displayed. One foreign style mission house was practically destroyed while three other mission buildings were hit and damaged. A twenty foot flag was spread on a football field which was hit four times. American Consular authorities of HANKOW report their supplying maps showing the location of American Church Mission properties in ICHANG to Japanese military authorities at both SHANGHAI and PEIPING last summer. The 200 bombs which were dropped destroyed or seriously damaged one third of the city and caused casualties amounting to 1500.

ICHANG is probably being used as a base for operations against Japanese troops who are now on the east side of the HAN river. No report has been received on damage done to military supplies by the bombers. The casualties are believed to be practically all civilians.

7088

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

Japanese aircraft was active during the week in northern KIANGSU supporting the military operations in that area. Chinese positions and trucks were bombed and strafed. Most of this activity was in the vicinity of FO CHING which is approximately 60 kilometers southeast of HAICHOW.

The following other bombings were reported:

- March 6: NINGSIA, in central NINGSIA.
- March 7: LINGCHOW, in southern KWANGTUNG, SIAN, in central SHENSI, and YENANFU, in northern SHENSI.
- March 9: LUNGKI, in southern FUKIEN.
- March 9: Chinese Positions on the LUNGCHAI railway in central SHENSI were subjected to heavy bombing by army aircraft. Military fortifications and arms supply routes were the targets.

AVIATION (CHINESE)

- March 8: Chinese planes raided Japanese positions in the EAST RIVER sector. SHEKLUNG and TSENGSHING, in KWANGTUNG were attacked as well as Japanese troops at BOCCA TIGRIS and TAIPING, at the mouth of the PEARL RIVER, and Japanese gunboats anchored in the river. Several of the gunboats were hit and damaged according to a Chinese report.

CURRENCY-NORTH CHINA:

North China will be completely absorbed into the "Yen Bloc" March 11th when currency control will be enforced simultaneously with the replacement of old bank notes by Federal Reserve Bank notes it is claimed.

As only F.R.B. notes are going to be used for exchange and trade in North China the old currency's value will be weakened. It is expected that the Shanghai exchange markets will not be much affected for they have long anticipated the currency question in the north.

0085

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

CURRENCY-NORTH CHINA CONT'D:

The Federal Reserve Bank notes will be stabilized at 1s 2d through the Yen which will mean the complete inclusion of North China in the Yen Bloc.

Nothing will be imported or exported into or out of North China without the permission of the government. Limitations also will be placed on remittances of Yen currency from Central China to North China creating the same situation which now prevails in connection with Yen remittances to Manchoukuo and Japan from SHANGHAI.

Considerable difficulty is expected to be encountered in circulating Federal Reserve Bank notes outside of cities and towns controlled by the Japanese military. It will be recalled that the guerrillas are in the habit of executing any person found in possession of the new regime notes.

MISCELLANEOUS:

S.M.C.-JAPANESE UNDERSTANDING:

A spokesman for the new regime said, on March 8th, at NANKING, that the understanding reached between the S.M.C. and the Japanese authorities for the maintenance of peace and order in the International Settlement represents "but an acceptable minimum."

Remaining unsolved, the spokesman said, were the questions of the elimination of terrorist gangs, the raising of five-barred flags in the settlement, the removal of banks affiliated with the Nationalist Regime, the exercise of control over the judicial courts, the eradication of anti-japanese organizations, and increases in the personnel of the police force in the Settlement.

RUSSIAN-JAPANESE BORDER DISPUTE:

The past week saw additional clashes occur between Soviet and Japanese troops on the eastern Soviet-Manchoukuo border. Ten Soviet cavalrymen are alleged to have crossed the Manchoukuo

7091

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

RUSSIAN-JAPANESE BORDER DISPUTE CONT'D:

border north of SUIFENHO on March 6th. Japanese border patrols are reported to have repelled the invaders. SUIFENHO is approximately 155 kilometers northwest of VLADIVOSTOK. It will be remembered that on February 26th, a similar incident occurred near the point of the March 6th encounter.

Another border clash occurred on March 9th near HILALIN, a town 260 kilometers northeast of MANCHOULI. A band of about 12 Soviet soldiers is alleged to have crossed the ARGUN river to penetrate into MANCHOUKUO. The number of casualties on either side could not be ascertained.

Apparently neither side attaches much importance to these border disputes, 166 of which are reported happening last year. In 158 of these cases the Manchoukuo Government filed protests with the Soviet Government. MCSCOM replied to 51 of these representations. During January, 1939, 24 additional border disputes were reported. These disputes included cases of illegal crossing of the border, wanton shooting, kidnapping, interference with river traffic, illegal land survey, and the destruction of border posts on the part of the Soviet soldiers.

Historic CHANGKUFENG hill on the eastern Manchoukuo border, where last summer Japanese and Soviet troops battled for a month over disputed boundary, is today occupied by Soviet soldiers. The general air of nonchalance regarding recent border incidents among Japanese circles is typified by the fact that the Japanese today are doing nothing about retaking CHANGKUFENG and are exhibiting no concern over continued incidents in the vicinity of MANCHOULI.

A recent statement of interest given by the Japanese War Minister to the Diet states that provisions for a possible frontal clash with the Soviet Union, in addition to a successful prosecution of the present hostilities in China, have been made in the various military estimates.

709

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

SOVIET-JAPANESE FISHERY DISPUTE:

Although March 15th, the date selected by the Soviet Government for the auction of fishery lots, is only four days distant, no important news concerning Japanese action in this dispute is expected for some time.

A Japanese foreign office spokesman recently stated that March 15th would not necessarily constitute Japan's deadline. He declined, however, to say what would constitute the deadline.

It appears that the present deadlock may continue indefinitely with the Russians refusing to renew the fishing concessions on the former basis and the Japanese giving every indication that when the fishing season opens in a few weeks they fully intend to fish in Soviet waters.

It is believed that as long as fishing does not encroach on the Soviet three mile limit serious trouble is not likely to develop.

A report which does not directly concern the Russian-Japanese fishery dispute, states that a party of eighteen Japanese fishermen recently arrived at HOIHOW, HAINAN ISLANDS, from SINGAPORE, to settle permanently as a result of continual difficulty with the British authorities over fishing rights.

It is alleged that British authorities recently cancelled operating permits for more than half of the 100 Japanese fishing boats at SINGAPORE.

J. S. MONAHAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

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 By Milton O. Gustafson NARS, Date 12-18-75

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

18 March, 1939

RESTRICTED:

R-2 REPORT, PERIOD 0800 11 MARCH, TO 0800 18 MARCH, 1939:

MILITARY OPERATIONS:

HUPEH:

The Japanese are continuing their operations on the east bank of the HAN river. They occupied KIKIANG, LOHANSU and TOPANMAN on the 13th. Although aided by warships operating up the HAN river the Japanese have made little progress to the north during the past week. The Chinese have strong forces concentrated from ICHENG on the west bank of the HAN river to ITU on the YANGTZE.

Intense guerrilla activity in the rear of the Japanese forces is hampering their progress as the Japanese are operating in this area without support.

The Japanese claim the Chinese casualties to be approximately 3,500 killed in the HAN river operation to date.

LIANGSI:

Supported by gunboats the Japanese made a forced landing on the eastern shore of Lake PCYING on March 14th according to Chinese and French information. The landing was made just north of TUCHANG against stiff but short lived resistance.

On completion of their landing operations the Japanese proceeded in two columns in the direction of TUCHANG, later capturing the city. The Chinese claim this is a prelude to operations designed to capture NANCHANG the capital of LIANGSI.

The Japanese version of the weeks operation in this sector is at complete variance with the Chinese report. The Japanese state that the landing was made on the northwest bank of the lake. This seems far more probable as the NANCHANG-HIUKIANG railway could most easily be attacked from this shore. The Chinese claim to have bombed an airfield at SIFTZ. This would indicate that the Japanese are established on the western bank from which an attack on NANCHANG could be readily effected.

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MILITARY OPERATIONS CONT'D:

JIANGSU:

Fighting is still reported in the HAICHOW area, the Japanese claim to have encircled about 2,000 men of the fifty-seventh Chinese Central Army division. The trapped men were part of the defense force at FANGSHANCHEN southwest of HAICHOW. When the Chinese began a general retreat this unit started south to LIENSHUI where they met the Japanese forces coming north.

The Chinese deny both the general retreat and the loss of the fifty-seventh division. They claim to have retreated orderly from the TAFANGTSI sector to SHUYANG on the SHU river where they rallied and continued their defense operations.

The Chinese losses during the operations in this sector are 2,500 killed; and 300 prisoners. It is estimated, however, that the Chinese still have 15,000 well equipped troops in this area.

GUERRILLAS:

During the past month the Japanese claim to have fought 194 battles with Chinese guerrillas in an area extending west and east 120 miles and north to south 160 miles, centering in LIHSIEN and KAIKUNG in southwestern HOPEI. These engagements involved about 71,000 Chinese troops and their losses for the month is estimated at 14,000 killed, with 520 taken prisoner. While the Japanese claim to be victorious on all sides in their HOPEI campaign the French report that the Chinese guerrillas in this area have recaptured KAIKUNG which until now the Japanese have been claiming as their base of operations with their reserve forces concentrated in this city.

Reports state that the Japanese have lost half of their original force in HOPEI. These losses are not due to any major engagement but the total of the minor losses on each raid. The guerrillas have put all the people to work digging ditches to stop the Japanese motorized units, but the results have been disappointing as the mechanized units jump the small ditches and the Japanese fill the big ones under cover of machine guns.

GUERRILLAS CONT'D:

Reports claim that Chinese of all classes in the north are unboundedly enthusiastic over the Eighth Route army. This lends credence to the reports that CHIANG KAI-SHEK is planning to use one third of his national troops in guerrilla warfare, primarily to offset the gains made by the Communists among the Chinese people.

AVIATION (JAPANESE)

KWANGTUNG:

PARONGHOW, north of CANTON on the CANTON-HANKOW railway, and SAMSHUI, west of CANTON, terminus of the CANTON-SAMSHUI railway, were heavily bombed by Japanese Army planes on the 11th. Chinese military establishments and defense positions were badly damaged.

On the 12th, Chinese positions within the walled cities of LUICHOW and LINCHOW, in the southwestern part of the province were blown up by a unit of Japanese Naval planes. The attacking planes met with anti-aircraft fire but none were downed, it is claimed.

Three Army air units raided TSINGYUN, 75 kilometers north of CANTON; TAI CHANG, 40 kilometers east of TSINGYUN, and HENGSHUI, 20 kilometers northwest of TAI CHANG in central KWANGTUNG, on Wednesday, the Headquarters of the Japanese Expeditionary Forces to South China announced on Friday.

The raiders also bombed arms and ammunition godowns in the vicinity of SHIUPING, 75 kilometers west of CANTON, and did heavy damage, the statement said.

FULIEN:

Japanese planes attacked the Chinese positions to the northeast of AMOY and junks on the CHACHANG canal on the 15th.

KIANGSU:

Both Japanese Army and Navy planes continued to aid the land forces in mopping-up the remainder of the Chinese troops who had been dislodged from the HAICHOW area on the 12th.

AVIATION (JAPANESE CONT'D)

KIANGSU:

The Japanese claim that Naval planes inflicted heavy losses on Chinese troops concentrated north of FOUNING, which is in the northeastern part of the province.

KIANGSI:

A raid was made on CHENGHIA and LOPIING, both south of the SIU river by Naval planes on the 13th. The amount of damage inflicted is reported as being considerable.

Naval planes made raids on communication lines along the CHEMLING-KIANGSI railway on Thursday. They are reported to have bombed many trains and Chinese troop concentrations in the area generally south of NANCHANG.

SHENSI:

SIAN, the capital of SHENSI and the pivotal point in the Sino-Soviet "Red Route" was subjected to heavy aerial bombardments on the 14th and 15th of March. It is reported that heavy bombs, of a type which had not been used up until this time, were used and that several provincial and municipal government buildings were hit.

KANSU:

The TINGLIANG airdrome, in eastern KANSU, was attacked by Japanese planes on the 15th. The Japanese encountered no resistance from the Chinese planes at the airdrome. The damage inflicted has not been reported.

HUPEH:

ICHANG was bombed by Naval aircraft on the 14th. It is claimed that military establishments and barracks were demolished. Again American Church Mission property was hit, the Saint James School being completely destroyed. American Consular authorities made strong representations to the Japanese authorities concerning the recent persistent bombings of the Mission property.

HONAN:

Six Japanese Army bomber squadrons, escorted by fighters, raided LOYANG, an important Chinese base on the LU'CHOW railway west of its junction with the PEKING-HANKOW railway on the 12th.

AVIATION (JAPANESE CONT'D)

HOKKAI:

Eighty nine bombs were dropped on the main part of the city, killing forty people and destroying four hundred houses.

HUNAN:

Barracks and military godowns were severely damaged by a Japanese Naval air unit which launched an attack on LUKIO, in the northeast part of the province, on the 14th.

AVIATION (CHINESE)

Chinese aviation appeared more offensively active during the past week than any time during the last few months. In fact, Chinese aviation is reported to have been on the offensive in north, central and southern China.

A belated dispatch from CHUNGKING reports that Japanese ammunition dumps and military depots at LUHU were completely blown up by Chinese aircraft during an air raid on 10 March. Three Chinese planes took part in the bombing.

Anti-aircraft fire was placed on the attackers but it is said that they all returned to their base safely.

On the 14th, Chinese planes attacked Japanese troops near HULOW in HANGSI and also made a raid on the Japanese airdrome at SINTZ on the west shore of POYANG lake. On the same day Chinese planes bombed the Japanese positions west of TSUNGFA in KWANGTUNG.

Chinese planes are reported to have bombed YUNGCHI, in SHANSI, on the 15th.

In southern China Japanese warships anchored in the mouth of the PEARL river and the Japanese sector west of CANTON were bombed on the 16th.

MISCELLANEOUS:

CHINESE NATIONALIST FLAGS IN SHANGHAI:

The French Concession authorities on 11 March ordered the lowering of the Chinese Nationalist flags, which were flying at half-mast on the occasion of the fourteenth anniversary of the death of Dr. SUN YAT-SEN, father of the Chinese Republic.

A Japanese newspaper commenting on this action states that the comparative number of Kuomintang flags appearing in the two foreign areas can be regarded as "A criterion of sincerity of the respective authorities in the suppression of terrorist activities".

The Chinese press reports that various public bodies in SHANGHAI have sent a joint telegram to the Chinese Minister of Foreign affairs requesting him to protest the lowering of the Nationalist flags. He was also requested to lodge protests with the British and American Ambassadors to China because the International Settlement authorities have tolerated the arrests of Chinese by Japanese Gendarmes, they say, thereby endangering the safety of Chinese residents.

RUSSIAN-JAPANESE BORDER DISPUTE:

A report from HSINKING claims that Soviet troops invaded IANCHOUKUO territory on 12 March.

70 Red Troopers were said to have crossed the border in the vicinity of frontier marker "H" and to have penetrated 80 meters into Ianchoukuo soil. The Soviet soldiers were alleged to have taken up positions in the invaded territory but were said to have been dislodged by Japanese forces after an engagement lasting one hour. The Japanese suffered four wounded, according to the report.

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

RUSSIAN-JAPANESE BORDER DISPUTE CONT'D:

A Soviet combat plane is alleged to have flown over Japanese territory near HAMAMATSU on the morning of the 17th. After flying four kilometers into Japanese territory the plane returned to Soviet areas, it is said.

RUSSIAN-JAPANESE FISHERY DISPUTE:

A MOSCOW report states that the auction of fishery concessions in the northern waters off the Siberian coast took place, as scheduled, on March 15th in VLADIVOSTOK.

Out of the 293 fishery lots presented for auction only four were finally purchased, all by Soviet concerns, it was revealed.

The Japanese Ambassador in MOSCOW had proposed to the Soviet Foreign Commissar that the auction of March 15th be postponed, it is reported, but the Commissar refused to accept the suggestion stating that another auction would be held if all the fishing lots were not sold at the first auction. The second auction will probably take place within a fortnight.

The Japanese Foreign Minister declared on March 16th that Japan will refuse to recognize the result of the auction of the fishery lots.

J. S. MONAHAN
 Major, U.S. Marine Corps,
 Regimental Intelligence Officer.

CSM/am

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA.

25 March, 1939.

RESTRICTED:

R-2 REPORT, PERIOD 0800 18 MARCH, 1939 TO 0800 25 MARCH, 1939:

MILITARY OPERATIONS: (SEE ATTACHED MAP)

The operations in the FOYANG LAKE area of KILNGSI province developed during the week from a minor landing operation on the east shore of the lake to a sweeping drive to the south across the SUI RIVER. The Japanese opened the drive on the 20th with a three hour artillery barrage against the Chinese first line of defense on the southern bank of the SUI RIVER. The first column crossed the river on the evening of the 20th and captured LIACKIA and EAST FENGCHISHAN on the southern bank of the SUI RIVER.

On crossing the river the Japanese broke the miniature Chinese "Maginot Line" which had been constructed south of the YANGTZE after the fall of the WUHAN cities. This system of defenses consisted of three lines., extending 180 kilometers in length and 20 kilometers in depth, south of the SUI RIVER. The first line running through TAITSULING, LIANGSHAN, and EAST FENGCHISHAN; the second line extends through HANGCHILING and HSIUNGCHANG; and the third line links WEST FENGCHISHAN, JUKU-LING, LANTOWSHAN and IKIASHAN.

The Japanese forces, totalling about 20,000 men, are divided into thirteen columns covering the area from the lake to WUHAN. The Chinese opposing them consist of five divisions; the 53rd, 16th, 77th, 15th, and the third. The Japanese claim this area to be guarded by more than 15 Chinese divisions, however, there is no indication that there are more than the five enumerated divisions in this area, which make up the 19th Army Corps commanded by General LO CHU-YING. In addition to the 19th Army Corps which is now engaged with the Japanese the 4th Army under General EKH CHAN is stationed at SIUWHUI and the 25th Army under General LANG CHING-CHIU is at present in NANCHANG.

MILITARY OPERATIONS CONT'D:

On crossing the river the main Japanese forces drove to the south in an attempt to capture KANGLING, while a strong detachment aided by artillery and tanks rushed along the motor road to JUNING. Fighting now extends from TUCHUNG on the east shore of POYANG LAKE to LUCHEN on the west shore and is continuing westward through YUNGHSIU and JUNING. JUNING is already reported to have fallen and the drive is continuing up the SUI RIVER with SIUSHUI as the next objective in the west.

The drive to the south has given the Japanese control of ANI and FENGSIK the latter being only 50 kilometers west of NANCHANG. Should the drive on NANCHANG be launched immediately there is strong possibility of a large portion of the 19th Army being trapped between the Japanese columns and LAKE POYANG.

Chinese losses in this operation are reported as 4,300 dead and 1,030 have been taken prisoner. Considerable equipment has also been taken in this area including 41 artillery pieces.

This operation, attempting to capture NANCHANG, is interpreted as a prelude to increased activity all along the southern front with the event of better weather conditions in an attempt to link the Central China and South China Japanese occupied areas.

NINGPO OPERATIONS:

Japanese Naval Forces in an attempt to further close the CHEKIANG coast to shipping, bombarded the CHENHAI forts outside NINGPO harbor during the past week. The Japanese claim that this bombardment did considerable damage to the HUNGYUAN, CHANG-TIAOTSUI and PAICHISHAN forts which make up the CHENHAI defense system of NINGPO.

Strong Japanese forces during the week crossed the river at KANGCHOW in what appeared to be an attempt to cut off the motor road between NINGPO and KINEMA. The Japanese have not pushed on to the east after crossing the river and to all appearances have abandoned the campaign. This may be because of the Navy's failure to silence the CHENHAI forts.

NINGPO OPERATIONS CONTINUED:

KIENLIN, the Kuomintang capital of CHEKIANG, is linked by the CHEKIANG-KIANGSI railway with all the important towns in the CHEKIANG-KIANGSI provinces, however, the only outlet to the sea is through NINGPO. It is for this reason that the Japanese are anxious to cut off NINGPO from the rest of the Chinese territory. The capture of NINGPO according to the Japanese would disrupt the supply of war munitions and materials which are flowing from SHANGHAI to the interior and would stop to a certain extent the inflow of terrorists into SHANGHAI.

The Chinese claim to have six divisions of infantry, cavalry and artillery troops of the Central Army in the KIENLIN-NINGPO area in addition to more than 40,000 mobile troops. The Japanese discount these reports of Chinese strength but admit that about 15,000 Chinese soldiers of the Central Army are in this area.

AVIATION (JAPANESE):

Japanese aviation during the past week was most active in northern KIANGSI supporting the drive south to KANGCHANG. Chinese troops in the vicinity of YUNGJUI, ANI and FENGJIN were strafed and bombed. The attacking planes met with anti-aircraft fire. A Japanese report states that one plane after being hit by bullets was crashed into a Chinese position by its crew.

In northwestern HUBEI Japanese Army aircraft attacked SIANGYANG and FANCHANG, major Chinese military bases along the upper HAN RIVER. Troops were reported to have been dispersed and military establishments were damaged.

The province of CHEKIANG was also the scene of numerous Japanese air raids. At HAILIN, situated at the mouth of the LIANG RIVER, a Chinese steamer of 80 tons was bombed and sent aground while loading cargo. A 700 ton Chinese steamer at TILICHU, which is 35 kilometers northwest of HAILIN was bombed and severely damaged on the same date.

AVIATION (JAPANESE CONT'D):

Japanese Naval planes bombed and severely damaged a district office, military headquarters and a lumber mill in a raid on WENCHOW, in southeastern CHEKIANG, on the 21st.

Naval aircraft also bombed four godowns south of LUICHOW, in southeastern KWANGTUNG, on the same date. Considerable damage was inflicted.

FOCCHOW, eastern FUKIEN, was the target for a surprise attack on the 21st. Barracks, military godowns, a wireless station and a power plant were demolished, it is reported.

Japanese planes bombed the American Methodist Mission at HANGLING (formerly CHINGCHOW), in HUPAH province, west of SHASI, killing three Chinese, on March 19th. Three bombs are said to have landed in the Mission compound.

The American Covenant Missionary Society at SHANYANG is believed to have been bombed on March 19th. A hospital and a foreign residence were hit in this attack. All Americans are reported to be safe.

An American hospital, operated by the Southern Baptist Mission, in CHENGCHOW, HONAN, was hit by Japanese bombs in three raids carried out over the past week-end. Five patients were killed while 200 refugees died when bombs crashed into a refugee camp conducted by the Mission. The hospital is reported to be clearly marked by American flags.

AVIATION (CHINESE):

Reports late in being published claim that during the period 16 March through 19 March Chinese aviation was quite active. Most of this activity centered around CANTON, although Chinese planes carried out operations at HANGCHOW and near HANKOW.

Thirteen Chinese planes are reported to have attacked the Japanese forces near SHEKLUNG, 40 miles east of CANTON, on 16 March. The following day a Chinese squadron bombed the Japanese airdrome at HANGCHOW besides making a raid on Japanese military establishments on the island of SANSTO near the mouth of the WEST RIVER in KWANGTUNG.

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

AVIATION (CHINESE CONTINUED)

On 18 March Chinese planes bombed HCHIC, important city in the northeastern part of HAILIAN island and also raided the Island of MAICHOV which lies off the KJANGTUNG coast, south of PANKI.

The Japanese airdrome at YUCLANG, which is just across the river from HANKOW was bombed on 19 March.

MISCELLANEOUS:

Work on the Japan Air Transport Company's flying field located a few miles north of the Kiangwan Race Course, in the direction of MOOJUNG, is progressing quite rapidly.

According to a reliable report there are approximately 5,000 Chinese coolies working on the field at present. The foundation for the runways was constructed from bricks sunk below the surface of the earth. The surface of the runways is crushed rock and cinders which are rounded flat. The field is estimated to be from 2 to 3 miles square. The present hangars consist of wooden sheds and a few collapsible corrugated tin buildings.

Although the Japan Air Transport Company was originally a private concern it is now virtually under the direct control of the Japanese Government. This company furnishes regular air transportation from SHANGHAI to JAPAN, SHANGHAI to NANKING, and SHANGHAI to PEKING via TSINGTAO. They also have regular flights from NANKING to HANKOW. Douglas and Lockheed planes (U.S. Manufactured) are used on these flights.

Plans have been made for the construction of concrete hangars at this new field. These hangars will extend over an area at least the size of two square city blocks. The blue prints show the sides of the hangars being decorated with Japanese, Italian, German and the new Chinese Government flags.

This transport Company recently began negotiations to purchase a large quantity of asphalt, presumably to be used on the runways.

MISCELLANEOUS CONT'D:

TSINGTAO HARBOR TO BE OPENED:

The outer harbor of TSINGTAO will be opened to third power vessels on 25 March according to a statement issued by the Japanese Consul-General at TSINGTAO. It will be recalled that this harbor has been closed since December 1937.

Conditions in SHANTUNG province have for many months been quiet, that is, compared to the other occupied provinces. Since the capture of LIANGOU, eastern terminus of the LUPCHAI railway in northeastern HLINGSU, Chinese resistance has slackened considerably in this area.

These comparatively favorable conditions is the apparent reason for the re-opening of TSINGTAO harbor to third power shipping.

CHINESE SILVER TO THE U.S:

The President Lines vessel "President Garfield" left MANILA for NEW YORK via SULZ on 21 March carrying 4,000 cases of silver which arrived recently from SAIGON. The silver was believed to be Chinese bullion shipped through HINDO-CHINA to escape the Japanese blockade of the China Coast.

Destination of the bullion was kept secret, but it was presumed that it would be unloaded either at LONDON or NEW YORK. The value of the silver was not divulged, although MANILA financial circles estimated the bullion to be worth between U.S. five million and 15 million dollars.

RUSSIAN-JAPANESE BORDER DISPUTE:

During the past week there was one MANCHOUKUO border clash reported. The clash is reported as occurring near HANYUENTAI, north of the SUIFEN river on 19 March. A small unit of Soviet border troops, under the command of an officer are alleged to have crossed the border, fired on Japanese patrols and started

0105

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

MISCELLANEOUS CONT'D:

building defensive positions. The Japanese claim that the Soviet troops were repulsed and later withdrew back across the border. A clash occurred at the same point two weeks ago.

A dispatch from KOREA states that Soviet soldiers are constructing fort and heavy artillery positions at PUSHINTUNG, northeast of CHINGKUFENG hill. The message said that Soviet troops already have completed defense works back of CHINGKUFENG, where bitter fighting took place between Japanese and Russian troops in August, 1938.

RUSSIAN-JAPANESE FISHERY DISPUTE:

A Japanese spokesman announced on 24 March at TOKYO that there would be no participation by the Japanese in the re-auction of fishery lots scheduled to take place on 5 April.

J. S. KONTZMAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

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

TELEGRAM RECEIVED

DIVISION OF FOREIGN
SERVICE ADMINISTRATION

FROM

PLAIN

EDA

DEPARTMENT OF STATE

CHUNGKING VIA N.R.

AMEMBASSY PEIPING
AMCONSUL SHANGHAI
COMMANDER-IN-CHIEF
ASIATIC FLEET

Dated May 3, 1939

Received 6 :30 a.m.

Secretary of State

Washington

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

Division of
FAR EASTERN AFFAIRS

MAY 3 - 1939

Department of State

306, May 3, 3 p.m.

Chungking bombed at one fifteen noon. Bombs dropped

in numerous places throughout city on north bank and
some near bus station on south bank. Three large fires
still raging. All of Embassy staff accounted for and
safe after the bombing. Embassy is endeavoring to as-
certain welfare of American residents.

PECK

DDM

793.94/14944

F/FG

793.94
note
124.933
393.1115

RECEIVED
MAY 3 1939

0107
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 10, 1939.

Chungking's despatch no.
135 of February 24.

To note the brief transmitting despatch. The two-page enclosure will pay reading in its entirety if you have time.

793.94/14945

FE
FE:Chase:HES

0108

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

10338



No. 135.

EMBASSY OF THE
 UNITED STATES OF AMERICA
 Chungking, February 24, 1939.

Subject: Economic Control in Japanese-occupied
Areas of China.

CONFIDENTIAL

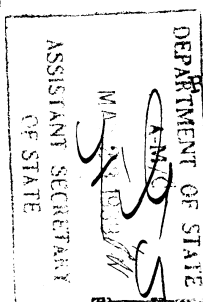
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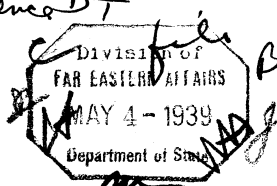
Subsidiary (1 copy)
Commerce in Confidence

COPIES SENT TO
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MAY 24 1939

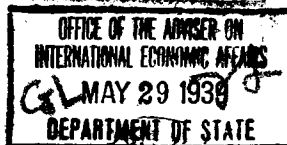


A-M/C
 RECORDING DESK
 FILE-C.S.

STRICTLY-CONFIDENTIAL

The Honorable

The Secretary of State,
 Washington.



Sir:

I have the honor to refer to a confidential despatch
 793.94/14611
 No. 1885 of December 23, 1938 from the American Consul
 General at Shanghai to the Department concerning economic
 1/ conditions in China and to enclose herewith a memorandum
 dated February 17, 1939, prepared by Third Secretary
 T. Eliot Weil on the subject "Progress of Japanese in
 Developing North China".

This memorandum quotes a German informant as dis-
 paraging the results of Japanese efforts to develop

North

793.94/14945

F/F/G

14945

0105
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

- 2 -

North China along economic lines, as sensing a new spirit of resistance among the Chinese population there, and as feeling that Japan would debar even fellow-members of the Anti-Comintern Pact from such economic opportunities as Japan itself might want to retain. A British informant is quoted as stating that even Japanese merchants are discontented with Japanese trade restrictions.

Respectfully yours,

Willys R. Peck

Willys R. Peck,
Chargé d'Affaires ad interim.

✓
Enclosure:

- 1/ Memorandum
as described.

Original and two copies to the Department
One copy to the Embassy, Peiping.

850

WRP:MCL

Carbon Copy
Received *[Signature]*

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

Enclosure No. 1
To despatch No. 135
Dated Feb. 24, 1939

February 17, 1939

MEMORANDUM

To : Mr. Peck

From: Weil

Subject: Progress of Japanese in Developing
North China

Disappointment in progress made by the Japanese in developing occupied areas of North China during the past year was the prevailing note in comments made to me by Dr. Voigt, agent of HAPRO, German export organization, in the course of a conversation last night. It appears that Dr. Voigt has spent a good many years in the Far East, has arranged certain barter agreements - including one with "Manchukuo" - and has been in Chungking during the past month endeavoring to effect a new barter agreement with the Chinese Government (negotiations for which, I am told by Dr. Arthur N. Young, Financial Adviser to the Chinese Government, and Peng Shui Pei, Vice Minister of Communications, are not proceeding smoothly). He had apparently hoped that Japanese occupation of areas in North China would result in an improvement in trade conditions - at least from the German point of view - but indicated that he was frankly disappointed in the results to date.

Voigt said that a year ago last fall when he visited Japanese-occupied regions in North China he gained the impression that the populace cared very little whether they were ruled by Chinese or by Japanese, but that when

he

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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. Gustafson NARS, Date 12-18-75

- 2 -

he returned last November he found the Chinese he talked with were convinced that the Japanese must go. Voigt did not mention any positive steps being taken by these people to drive out the Japanese, but he said the prevailing feeling was that no matter how long it might take, the Japanese must be forced to give up North China.

Voigt expressed the opinion that Chinese in occupied areas in the North are well aware of the friction between various Japanese groups - between the Army and the large firms, the Special Service and other government organizations, the Kita clique and the Doihara clique, and between other factions. He said that the Chinese knew that the Japanese could not fully achieve their aims unless they obtained the cooperation of the Chinese, and referred to the difficulties the Japanese were experiencing in their efforts to set up a puppet national government as a case in point.

With regard to the question of trade privileges for Germany in Japanese-occupied areas (on the basis of the Anti-Comintern Pact) Voigt expressed the same conviction that I have often heard voiced by other Germans - namely, that Japan would eventually allow Germany only such commercial privileges as Japan did not want or need herself.

The fact that even Japanese firms are dissatisfied with conditions in at least one Japanese-controlled port was brought out by R. H. Scott, British Commercial Attaché, who joined in the conversation for a while, when he stated that the Japanese Chamber of Commerce at Shanghai (as well as the German and Italian Chambers) had indicated unofficially that they would like very much to sign the resolution circulated about two months ago by the British Chamber of

Commerce

011

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

- 3 -

Commerce complaining of Japanese restrictions on trade, but that for obvious political reasons they did not dare protest publicly. Scott felt, however, that in spite of the difficulties the Japanese are experiencing, Chinese government officials are underestimating the value and importance of materials and revenues which the Japanese are now taking out of occupied areas.

TEW.

T. E. W.

TEW:MCL

011
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

454

REB

TELEGRAM RECEIVED

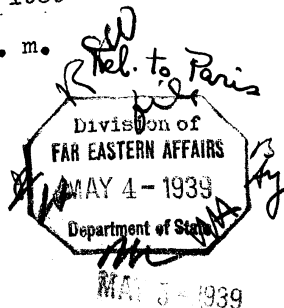
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (D)

PARIS

FROM Dated May 3, 1939

Rec'd 1:15 p. m.

Secretary of State, MAY 4 - 1939
Washington.



874, May 3, 5 p. m. (SECTION ONE)

STRICTLY CONFIDENTIAL.

The Chief of the Far Eastern Division at the Foreign
Office in a conversation today with Wilson referred to
the memorandum presented to Leger on April 4 by the
Chinese Ambassador (see my 765, April 18, 1 p. m. and
793.94/14902, April 18, 6 p. m.) and said that a reply had been
made to the Chinese Ambassador to the effect that the
French Government regarded the Chinese proposal as most
interesting but that it seemed premature to give con-
sideration at the present time to entering into any
such agreement.

Chauvel added that in the view of the French Govern-
ment it would be unwise to reply to the Chinese proposal
by a categorical refusal. There were, in true oriental
fashion, secret discussions going on more or less con-
stantly between agents of Chiang Kai Shek and the Japanese
Government

793.94/14946

Confidential File

0114
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

455

REB

2-#874, From Paris, May 3, 5 p.m.
(Sec. One)

Government concerning peace terms. If the British and French Governments should turn down flatly the Chinese proposal Chiang Kai Shek might become discouraged and inclined to listen too favorably to the Japanese peace propositions.

BULLITT

CSB

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

456

REB

TELEGRAM RECEIVED

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (D)

PARIS
FROM
Dated May 3, 1939

Rec'd 1:55 p. m.

Secretary of State,
Washington.

874, May 3, 5 p. m. (SECTION TWO)

In view of the present world situation any such
development in the Far East would be regarded by the French
as distinctly unfortunate.

As indicating that the French intend to keep the
Chinese "dangling" regarding the Chinese proposal it was
mentioned that Wellington Koo saw Leger yesterday and
discussed the proposal with him for over an hour.

With reference to cutting off deliveries of iron
from French Indo-China to Japan, Chauvel said that strong
protests had come in from Indo-China where laborers were
being thrown out of work and local revenues reduced.
The Ministry of Colonies was now considering whether it
would be feasible to maintain this embargo in effect; if
they decide in the affirmative then the French Government
having ascertained that the British Government could cut
off supplies of iron from Malaya to Japan by raising the
export

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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. Gustafson NARS, Date 12-18-75

457

REB

2-#874, From Paris, May 3, 5 p.m.
(Sec. Two)

export tax would approach the United States Government to
inquire if it would be possible to cut off supplies of
iron from the Philippine Islands to Japan.

(END OF MESSAGE)

BULLITT

CSB

0 1 1

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

DOCUMENT FILE

NOTE

SEE 793.94119/541 FOR #122

FROM China (Chungking) (Peck) DATED Jan. 24, 1939
TO NAME 1-1127 ...

REGARDING: Chiang Kai-shek's address of December 26, 1938, before meeting
of the Central Kuomintang Headquarters: encloses copy of
News Release No. 311, January 10, 1939, containing what
purports to be an English translation of the address.

wb

793.94/ 14947

14947

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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. Gustafson NARS, Date 12-18-75

No. 128.

Chungking, January 24, 1939.

Subject: Address of General Chiang Kai-shek
on December 28, 1938.

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to the Embassy's despatch
No. 114, January 8, 1939, transmitting extracts in trans-
lation of an address delivered by General Chiang Kai-shek
at the weekly memorial meeting of the Central Kuomintang
Headquarters at Chungking on December 28, 1938, and to
1/ enclose herewith a copy of News Release No. 311, January 10,
1939, of the China Information Committee, which contains

what

0 1 1 5

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

- 2 -

What is purported to be an English translation of the
complete text of the address.

Respectfully yours,

Willys H. Peak,
Chargé d'Affaires ad Interim.

Enclosure:

1/ News Release
as stated.

Original and four copies to Department
Copy to Peking
Copy to Tokyo

700

AFD:MOL

0120

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

*Enclosure no. 1. to despatch No 122,
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I N D E X

Page

GENERALISSIMO CHIANG ASSAILS
THE KONOYE STATEMENT..... 2024

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
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GENERALISSIMO CHIANG ASSAILS THE KONOYE STATEMENT

Addressing the weekly memorial meeting at the Central Kuomintang Headquarters, Chungking, on December 26, 1938, Generalissimo Chiang Kai-shek declared at some length that the various statements recently issued by spokesmen of the Japanese Government only testified to Japan's ambitious designs of completely subjugating China and dominating the Far East. He especially dwelt on Prince Konoye's statement made on December 22 and took to task point by point the issues raised by the Japanese Premier.

The following is a translation of the complete text of Generalissimo Chiang Kai-shek's speech:

"Comrades, our Resistance has now entered a new phase. I have recently pointed out on several occasions that the past eighteen months may be called the first period of our Resistance or the preliminary period. We have now entered upon the second or latter period. At present, on both northern and southern warfronts the excellence of our soldiers' morale and fighting spirit provides an auspicious sign unprecedented since the war commenced. Our soldiers are fully aware that in this war our enemy is bent on subjugating China completely and that we must take the most drastic measures to save our country. Their determination is therefore extraordinarily strong and their spirit roused to the uttermost.

"Our people also understand that the enemy will not pause until he has fully realized his malevolent designs and the ultimate aim of his aggression in the destruction of China. If we do not seek life by braving death we cannot expect to survive in any fortuitous way. Thus, difficult as our situation may be, our soldiers and people are equal to it in the firmness of their determination. With the realization of our national peril shared alike by those at the front and in the rear; with every citizen striving through hardships and sacrifices, unremittingly and unyieldingly, towards victory, I firmly believe that the object of our Resistance can be attained.

"Our enemy, conscious of our determination and unified will, has, apart from military operations, tried to trick and menace us in various ways. Following the manifesto issued by the Japanese Government on November 3, several paradoxical and fallacious statements made by the Japanese Prime Minister, the Minister of War, and the Ministers for the Navy and Foreign Affairs have appeared. These statements are heterogeneous and contradictory. They were intended to misguide the people at home and deceive the world at large. In particular they were intended in various ways to delude, drug or threaten our people, as the case might be. They were seconded and echoed in Japan by public and private expressions of views either in strong or milder language. On December 22, the Japanese Premier made the announcement of Japan's readiness to readjust relations with a "China Reborn." That may be regarded as the culminating feat of Japanese verbal sorcery which affords us a complete view of its features and motives.

"Konoye's statement is intrinsically nothing more than sheer wearisome repetition of canting phrases. Solemnly engaged in our Resistance as we are, it would seem unnecessary for us to pay any attention to it, let alone refute it. Considering it, however, together with the enemy's deeds and words of the past months, we perceive that the statement, though superficially vague and incoherent, has a keen-edge hidden beneath. It might be called, in fact, a complete exposure of the fantastic Japanese programme to

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

annex China, dominate East Asia and further even to subdue the world. It is also a complete revelation of the details of the enemy plan to destroy our country and exterminate our race.

"Our enemy is especially gifted in the ability to play on words, advance fallacious contentions, and lay smoke-screens in working the ruin of his victims. For instance, Konoye's statement was followed by that of a Japanese Government spokesman who declared on December 24, that the Premier had expressed the essential terms to be required of China, and further took it upon himself to say that they embodied the views of the moderates in Japan. Such are their insidious tricks and laughable posturing.

"My deep concern is that there are perhaps a small number of people in the world who may not appreciate what a menace lurks behind the smoke-screen but who may regard the issue raised as more or less innocuous. Hence I will thoroughly expose the mind of the Japanese so that our own people may be warned and friendly nations perfectly understand to what extent world peace may be jeopardized and humanity imperilled if they have full rein.

"What I wish to draw the attention of all to is the barbarism of the Japanese militarists, their insanity, their practice of deceiving themselves and others, and their gross ignorance. What is most urgent is that all should realize that Japan is determined to swallow China entirely. Taking Konoye's statement of December 22 as the pivot for my observations, I shall now recall what Japanese popular sentiment has championed during the past few months and what cabals and slogans have been actually put into practice. By analysis, a comprehensive understanding may be gained. For convenience of narration, I shall first draw attention to the following four points:-

"(1) The so-called creation of a new order in East Asia. The Japanese take special pride in this slogan. According to the Japanese Foreign Minister, Arita, in his explanation of December 19: 'the new order in East Asia consists in Japan, Manchukuo, and China assisting and co-operating with each other closely in politics, economics and culture to combat the Red Peril, to protect Oriental civilization, to remove economic barriers, and to help China to rise from her semi-colonial status so as to secure peace in the Far East'. On December 14, Konoye also said: 'the ultimate objective of the China Incident lies not merely in achieving military triumph but in a rebirth of China and the erection of a new order in East Asia. This new order will be based on tripartite co-operation of a new China with Japan and Manchukuo'. Let all observe that what he meant by a China reborn was that independent China was to perish and in its place an enslaved China created, which would abide by Japan's word from generation to generation. The so-called new order would be based on the intimate relations that would tie the enslaved China to the Japanese-created Manchukuo and Japan herself. What is the real aim? In the name of opposition to the 'Red Peril' Japan seeks to control China's military affairs; claiming to uphold Oriental civilization, Japan seeks to uproot China's racial culture; and by urging the elimination of economic barriers, she aspires to exclude American and European influence and dominate the Pacific. Again, the so-called 'economic unity' of Japan, Manchukuo and China is the instrument she intends to use for obtaining a strangle-hold on China's economic arteries.

"Let us try to realize the immense evils with which the words 'creation of a new order in East Asia' are pregnant. In a word, it is a term for the overthrow of international order in East Asia, and the enslavement of China as the means whereby Japan may dominate the Pacific and proceed to dismember other states of the world.

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

"(2) The so-called 'unity of East Asia,' 'indivisibility of Japan, Manchukuo and China,' 'linked relations of mutual assistance between Japan, Manchukuo and China.' To make a 'homogeneous body' of East Asia has been a much-touted Japanese slogan during the past few months. The application of this slogan is broader, vaguer and more general than that of the so-called 'economic unity' or 'economic bloc'. Advancing the theme of an 'indivisibility of Japan, Manchukuo and China,' the Japanese aim to absorb China politically, economically, and culturally into one body with their own country. Japanese periodicals have maintained that the structural relationship of the 'East Asia unity' should be vertical with Japan at the summit, and not in any sense horizontal; the system of relationship should be patriarchal, with Japan as patriarch and Manchukuo and China as offsprings. In other words, the former is to be the governor and master while the latter are to be the governed and underlings.

What is it if it is not annexation? What is it if it is not the total extinction of China? Konoye's phrase, 'the establishment of linked relations of mutual assistance in matters political, economic and cultural between Japan, Manchukuo and China' puts me in mind only of links of manacles and shackles. His 'linked relations' would be the forged chains in which we should be dragged down into a pit whence we should never escape.

"(3) The so-called 'economic unity' and 'economic bloc'. This has been promoted for many years by the Japanese, and the thesis has recently been as prevalent as ever and has even made rapid headway. It is essential to the proposed 'homogeneity of East Asia'. They have rung many changes on the wording of the slogan: they have called it on occasion 'economic reciprocity' and 'economic co-operation'. In the manifesto of the Japanese Government issued on November 3, it was described as 'economic union'. In the latter part of November enemy newspapers printed the headline 'Japan, Manchukuo and China are to form an economic unit and henceforth share a common fate.' Subsequently Arita in his statement of December 19 said: 'Japan has resolved to convene an economic conference to bring about an intimate economic confederation between, Japan, Manchukuo and China and to invigorate the resulting economic monad'.

"Japan has, in fact, already installed such instruments of economic aggression as the 'North China Development Company' and the 'Central China Development Company'. Economic conversations have already been held more than once by self-styled representatives of Manchukuo and China with those of Japan. What the Japanese call their 'Planning Bureau' adopted two days after Konoye's statement was made a resolution urging 'the expansion of the productive capacity of Japan, Manchukuo and China'. The 'economic bloc' is designed to be the means of not only taking control over our customs revenue and finance and of monopolizing our production and trade, but also of gradually limiting the individual freedom of our people even in regard to what they eat and wear, where they live and whither they move. The Japanese are to do as they please: to have power among us over life and death, the power of binding and loosing: we are then to become their slaves and cattle, and to have our substance devoured beneath the lash of tyranny.

"(4) The creation of the so-called 'Asiatic Development Bureau'. This organ was introduced after much agitation for a medium through which to deal with China. A 'China Bureau' was once projected, which has now given way to this 'Asia Development Bureau'. The comprehensiveness of this term is a flagrant insult to all the peoples of Asia. Japan is set not only on ruining and dismembering China alone, but her ambition embraces the entire Asiatic Continent.

"On the day before the official inauguration of this 'Asia Development Bureau' on December 15, Konoye stated that 'a new executive organ should be constituted for creating a new order in East Asia: this organ

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

in conjunction with other organs abroad will maintain coherent relations between Japan and China: it will become the key to executing our China policy, the fulfillment of which is our final object in regard to the 'China Incident'. This should serve to acquaint all with the true function of the organ: to be the means of executing a policy designed to destroy China. For it may be described as Japan's highest special service organ combining all the special service branches long set-up all over China for the working of all manner of villainy, which formerly operated with the greatest stealth because it was regarded premature to work openly. Now however they boldly unmask themselves and are accorded official status. By the establishment of this 'Asia Development Bureau' a concentrated light is thrown upon the means and ends of Japanese policy; the tortuous and obscure devices pursued for years are seen with their supreme aim confessed. All concealment is at an end.

"The Japanese harp on the words 'construction of China' by which they really mean the destruction of free China simultaneously with the 'construction' of an enslaved China.

"Bearing in mind what I have said above, we will now examine Konoye's statement of December 22 to gain an accurate conception of its content without being fooled by the mist of verbiage. I shall draw attention to a number of noteworthy points:

"First, the gist of the statement is the so-called collaboration between Japan, Manchukuo and China for the building of a new order in East Asia. He said that his purpose was to make clear the Japanese Government's true intentions both to China and other countries. His real object was of course to address the American, European, and other countries of the world: thus he exercised special care in the manipulation of words in his attempt to produce an impression that what Japan desired of China was neither territory nor war reparations and that he was not concerned for the particular interests of Japan but for the good of the general situation in the Far East. He even ventured to say that Japan desired China to become a completely independent state. Further, he appeared solicitous over the abolition of consular jurisdiction and foreign concessions in China as if Japan had no designs to detract from China but actually to add. He assumed that the world was still ignorant of the true point behind the creation of a 'new order in East Asia' and would be duped by his poor quibbling. The pivotal consideration of destroying the true China and of substituting a Japanese China being realized, 'territory' for Konoye would merely be the area over which Japan had gained control, and 'resources' would be what Japan had virtually possessed herself of. When both were stowed away as swag, Japan could well dispense with irrelevant demands to partition territory and obtain reparations. Since his lust is our entire territory, our entire resources, and our entire population, Konoye could gladly afford to declare Japan to have no desire for any particular part of our 'territory', or for a portion of our substance as 'reparations'.

"From China's standpoint, any question of war indemnities and so forth would turn on the determination of the party responsible for the war. It is too obvious that Japan began by invading our sovereign territory. Where the responsibility of aggression rests is common knowledge to everybody. What Konoye attempted to say in fact, merits no attention. As regards consular jurisdiction, were Japan allowed the full control of China, it would become a matter of the supremest superfluity to speak of it. What has been called 'the return of the concessions' would be the turning over of them all to Japan. Popular sentiment in Japan has indeed agitated not only that the foreign concessions be taken over but that they be made into one large Japanese concession. If China should recognize the so-called 'new order in East Asia' as well as the 'collaboration of Japan with Manchukuo and China,'

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

Japan would not be averse to transforming our entire sovereign territory into a huge Japanese concession. In that case, if China did not actually become a slave-state, she would descend to the status of a protectorate, which in essence would be equivalent to annexation by Japan. When Konoye goes so far as to speak of causing China to become a truly independent state, who will fail to recall the status of Korea as defined in the Treaty of Shimonoseki?

"I can say with certitude that before Konoye made his statement there was hope entertained by a section of the world that Japan might repent. But since the statement appeared, I can confidently say that no one in China who is able to distinguish right from wrong and who understands current events will again harbour the thought of recovering peace by compromise.

"Second, among the other important points raised in Konoye's statement, apart from the collaboration of 'Japan, Manchukuo and China,' are 'economic co-operation' and 'joint opposition to communism'. I have dwelt on the nature of 'economic co-operation' when I dealt with the so-called 'economic bloc'. I need not add more. What was meant by 'joint opposition to communism' was having China participate in the Anti-Comintern bloc, stationing Japanese troops on Chinese territory and setting Inner Mongolia aside as a special area for combating communism.

"We need not examine the significance of the so-called 'joint defence against communism'. While we are engaged in putting the Three People's Principles into practice in China, it is pointless for us to discuss 'joint defence against communism'. We may say that by pretending that motive, Japan first aspires to control our military affairs and proceed therefrom to manage our politics, culture, and even the conduct of our diplomacy. This was what Japan had been striving hard, but in vain, to achieve in the years before we began our Resistance on July 7, 1937, and the failure of which the Japanese heartily disliked. Because we were unwilling to succumb to this artifice, we endured a multitude of hardships until the final moment came when we decided to make nation-wide sacrifices by launching the Resistance. If we could consent to the demand for 'joint defence against communism', should we have tarried until today?

"Certain sections of the world entertain the view that what Japan designated as 'anti-communism' was really directed against Soviet Russia. The truth remains that Japan entered the Anti-Comintern Pact, and into 'joint opposition communism', neither to combat communism nor Soviet Russia, but to make use of that pretext in destroying China. If it contains any element of being directed against Russia, it is a very tiny constituent: the overwhelming element is aimed at the destruction of China. If not, and if the point were Japan's national defence against Soviet Russia, then wherefore, during the Changkufeng Affair in July and August, did the Japanese Ambassador at Moscow, Shigemitsu, retreat and finally yield so ingloriously before the Soviet Russian Foreign Minister? We can be sure that the 'anti-communism' now brought up by Japan is merely for use in deceiving world perception abroad, and her own nationals at home. And also a ruse to obtain from China the right to station troops in China and completely control Inner Mongolia.

"Clearly, if we could consent to Japanese troops being stationed in China, and Inner Mongolia being set aside as a special area, we should not have begun our Resistance on July 7, 1937. If we had been over-awed by Japan so as to allow her troops full rope in North China, we should not have fought our way to Peiping when our revolutionary army was blocked by Tanaka's forces in Tsinan in the seventeenth year of the Republic (1928). We should have politely offered Japan North China and Inner Mongolia. But in the period of revolution, when our revolutionary force had gathered

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

momentum and when the Three People's Principles had evolved, no hardship could prevent our reaching our destination. There was no power that could stop us. Konoye's demands betray a lack of understanding of the present-day China. He knows neither Japan nor China. He further does not recognize current tendencies or the true modern China. He also declared that without the Japanese army being stationed in China, the 'new order in East Asia' could not be founded. What is this so-called 'new order in East Asia'? Has not its nature been rendered increasingly more apparent to our people and the friendly nations of the world?

"Third, in the latter section of Konoye's statement it is demanded that China accord Japan special facilities in developing North China and Inner Mongolia. This is again making capital of the term 'joint defence against communism' to monopolize China's national economy, and repress our vital economic freedom. Furthermore, it is also demanded that Japanese subjects should be granted rights to reside and trade in the interior of China. Superficially, the demand appears quite harmless. Unfortunately, Konoye does not seem to be aware of the deep and general impression Japanese subjects have created in the mind of our people by their evil-doings in the past. Truly, the very mention of Japanese subjects reminds our people only of Japanese special service organs, exploits of Japanese ronins, as well as of opium smuggling, morphine peddling, white-powder manufacturing, heroin retailing, the operating of gambling dens and houses of ill-repute, arms smuggling, conspiring with bandits, engaging loafers, training traitors, and other Japanese devices for creating disturbances, and debasing our people, either by means of drugs or encouraging outlawry.

"Freedom to reside and trade with all freedom could be considered for other nationals in the future after China's jurisdictional rights are completely restored. For Japanese nationals, however, unless we are prepared to endure their poison, their disturbance, unless we willingly forfeit our prerogative to maintain peace and order, and unless we voluntarily allow them to destroy our salutary customs and traditions, and allow them to suck at our economic veins, no one would consent. The Japanese ought not to let certain things slip their memory. Is not this right to reside in the interior and freedom to trade, similar in essence to the Japanese demand years ago for concession agreements in China's Northeast? In the eighteenth year of the Republic (1929) Arita, present Japanese Minister of Foreign Affairs, then in the capacity of the Director of the Asiatic Bureau, went to Nanking under instructions of the Japanese Premier Tanaka to carry on negotiations. Arita was refused because we would rather see our Northeast occupied by the Japanese Army than enter into unequal treaties which would imperil our country and injure our rights. Why? It was because Japan had given us a very disagreeable impression. Wherever the Japanese resided, China's police rights and economic rights were being injured. If the Japanese nationals were given rights to reside and trade in certain areas, our people in those areas would lose their freedom or even be forced to vacate.

"At that time, the issue was limited to the Northeast, yet we refused; but now Konoye broadens the issue to include our entire sovereign territory, and does so under the slogan of a 'new order in East Asia'. Is there room left for our people to consider?

"These are the principal points in Konoye's statement. Summing up, Konoye described them as 'Japan's minimum demands'. If these are the 'minimum demands', I would like to know what more can be asked exceeding them. Compared with Hirota's 'three principles', they are many times more comprehensive and virulent. Our enemy vainly hopes that we might be inveigled into accepting them. Let me ask if we could not accept Hirota's 'three principles' at the commencement of hostilities, how could the enemy entertain the hope that China might now accept these degrading terms?

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

"This statement has, however, completely bared the pernicious Japanese designs for the complete extinction of their neighbouring country and people. Further, 'the Meiji doctrine' and the contents of the 'Tanaka Memorial', both of which the Japanese have tried every means to deny, have all received confirmation. Tanaka said: 'In order to conquer the world, China must be first conquered', while Konoze declared before the Japanese Diet on December 1: 'It is resolved that the time of settlement of the China Incident will be determined by the state of construction in China'. The so-called 'state of construction in China' is merely another way of saying to what extent China has disintegrated and been seized by the Japanese. From this assertion, we may learn that Japan's aggressive activities if not defeated can only cease when China is destroyed. Our friendly nations should also be benefited by the elucidation.

"Japan's continental policy has now broadened into an oceanic policy. From advancing northwards, Japan is also moving southward. Briefly, Japan's policy of aggression has become a combination of the continental and oceanic policies pursued simultaneously. In attempting to annex China, Japan in the meantime is trying to overthrow international order, dominate East Asia, and banish European and American influence. With that achieved, what Japan will proceed to is all too plain.

"In conclusion, Japan has exposed her secret designs and aspirations which she had laboured hard to conceal in the last few decades. When we referred to Japan's intentions before, what we said was regarded by some people as provocatively exaggerated, for they thought that Japan might not have entertained such wild plans as described. From now on, I make bold to say that neither China nor the world at large will be deceived regarding Japan's real intentions.

"Judging by Konoze's statement, we can confidently say that Japan's real desire is to annex our country and destroy, once for all, our nation. Decidedly, Japan is not interested in such forms as the so-called 'Sino-Japanese co-operation' or 'economic hand-in-hand collaboration'. As to cession of territory and the payment of an indemnity, they do not rank high with the enemy, in view of more comprehensive designs. By the so-called 'economic bloc', Japan aims to absorb and manage our finance and resources, which is a more than effective substitute for the demand for reparations. The demand for rights to station Japanese troops in China and set aside Inner Mongolia as a spirit and as well as freedom to reside and trade in any part of China, is made with the intention of seeking control and rule over the entire Chinese sovereign territory, oppressing and enslaving our people, as far preferable to 'cession of territory'.

"We well remember that before Korea was annexed by Japan, Korean nationals were treated to such hyphastic slogans as 'unity of Japan and Korea' and 'indivisibility of Japan and Korea' etc. Today, Japan resorts to 'indivisibility of Japan, Manchukuo and China' and 'Unity in East Asia' means exactly 'merger of Japan and China,' or equivalent to annexation of China by Japan, or the fulfillment of 'Japanese Imperial Continental Empire'. The theory of the so-called 'creation of a new order in East Asia' is a mere smoke-screen. This is truly the new invention of Imperial Japan for the destruction of another country and extermination of its people.

"Japan is now in complete possession of plans and means to ruin China, and her aggressive intentions are no longer concealed. What Japan lacks is the readiness to be deceived and accessibility to threats on our part, in short, our willingness to fall a prey to her trap. Our situation being so clearly outlined, we should be insane if we still hoped to live under a tiger's chin, and seek existence, independence, and equality by peaceful compromise. Once our spirit surrenders, we are forever doomed; and once we are chained, we shall never find release. I may also add that although Japan's malevolent intentions are only revealed today, Japanese militarists have, however, dwelt on these schemes for generations.

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

"During the past decade, Japan's political leaders have passed away one after another, leaving not a single statesman who comprehends the high principles responsible for a nation's rise or fall. As a consequence Japanese militarists have without restraint violated laws and discipline and taken things into their own hands. The greater Japan's national danger looms, the more desperate and ambitious they become.

"Fortunately, in July, 1937, our countrymen rose to offer Resistance, thus defeating Japan's purpose of causing us to yield without fighting. We further caused the Japanese to expose their intentions until as at present the world is in possession of every detail. If we had failed to resist and had allowed the enemy to nibble at our territory, our nation would, like a patient suffering from a malignant and incurable disease, gradually have worn away, lost its senses, and have perished within three to five years. If we take the instance of Korea, we see that on the one hand, Japan attempted by intimate collaboration to maintain the flattering term of Korean independence, but on the other hand used every description of direct and indirect device to dismember Korean territory. Unconsciously, Korea finally became a Japanese possession.

"Through eighteen months of fighting, the national consciousness of our people has been further heightened. The gallant sacrifices made by more than a million of our men at the front, and by millions of our people in the rear, and our unyielding stand have also made it impossible for the enemy not to reveal his every vicious feature. Thus, China has not only passed the peril of being destroyed and annexed, but the world is also forewarned that our insatiable enemy, if allowed free rein, will imperil the peace of the world. It is true that we have made immense sacrifices, but in waging this war we have saved our nation from the brink of being destroyed, and eliminated for the world a future menace. Our bitter sacrifices bear a profound significance. Our unrelenting and unbending spirit has already erected a strong bulwark for safeguarding our national existence. Comrades, you should distinctly grasp this point, and press on to fulfil our responsibility.

"The enemy desires to control our military affairs by employing the name of 'joint defence against communism', to reduce our resources by resorting to the machine of 'an economic bloc', and to direct our politics and culture, with the extinction of our nation in view, through the medium of a 'unity of East Asia'.

"The enemy calculations are excessively precise. He has repeatedly announced that between Japan, Manchukuo and China, there should be established indivisible political, economic, and cultural relations and even a mutual assistance arrangement. In other words, the enemy aims to destroy our national existence by means political, economic and cultural, and also to dominate East Asia by the same means. His schemes may be described as thorough.

"To speak of culture, what independent culture is there in East Asia except that of China? The center of gravity of East Asia is in China. If China should lose her independent existence, what would be left of the present economic structure in East Asia? Speaking of politics in East Asia, the traditional political thought of China founded on neighborliness, loyalty, filial piety, humanity, love, peacefulness and sincerity has been the central support of East Asia. Today, only the Three People's Principles as bequeathed by our late Tsungli (Dr. Sun Yat-sen) are the true tenets of equality, liberty, independence and co-existence. They are also the safeguards of enduring peace.

"On our part, the year and a half's war has laid for us a solid foundation for national regeneration. We fear no problems, nor are we concerned over impending dangers. We merely lament the fate of Japan the present status of which was brought about by the hard efforts and sacrifices of her reformist patriots. Today, her people are powerless, her throne without prerogative, and her politicians without integrity

0129

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

and knowledge, thus allowing a few hot-headed young militarists to do as they please. They are sapping Japan's national strength, shaking her national foundations and advancing savagely on the infamous road of self-seeking at the expense of others. In the eyes of these young Japanese militarists, China does not exist, nor do the other countries of the world. They have regard neither for discipline, nor for law, nor yet for their own government. Guided by their greed, cruelty, and violence, they do as they please. If such conduct be allowed to continue, the future of Japan is indeed full of danger. Although we are sworn enemies of the Japanese militarists, yet we are still neighbours to the Japanese people who share with us a language of a common origin. Reviewing Japan's history and looking forward to her future, we not only see danger in her path but lament her lot.

"Comrades, you should realize that the Japanese militarists are now heading blindly into a maze. They have forgotten their own history, their own position, and can neither see the outside world and their own crisis, nor recognize their neighbour, a revolutionary China. There are but two aspects to their thought. On the one hand they are so blind to facts as vainly to hope that China might accept their outrageous terms, and on the other hand they rely on their cunning to achieve some tour-de-force and to benefit by hood-winking the world. Because they themselves are stupid, they believe the people of the world is to be befooled. Because they themselves are violent, they believe that force can dominate this world.

"As borne out by the terms embodied in his statement, Kenoye wants to close China's Open Door and break the Nine-Power Treaty by establishing a so-called 'new order in East Asia', and to expel European and American influence from China by creating a so-called 'unity of East Asia' and 'economic bloc', and to revive the Twenty-one Demands presented to Yuan Shih-kai by 'stationing troops in China' and 'setting aside Inner Mongolia as a Special Area'. Summing up, Japan intends to force China to destroy by her own hand the principles of Open Door and Equal Opportunity, the League of Nations Covenant, the Nine-Power Treaty, the Sino-Soviet Non-Aggression Pact and other international treaties, by resorting to such terms as 'creating a new order in East Asia'. They wish to bind our hands, squeeze our arteries, yet they expect us to follow in their foot-steps by breaking faith and despising loyalty to hasten the realization of their domination in East Asia, after which they might direct the world. Throughout five thousand years, China has always been guided by good faith, and sincerity, in her statecraft. How can we be made to yield by threats and abandon our stand?

"China as a state is founded on the principles not to oppress the undefended, nor fear the aggressive. More particularly, she is not willing to violate pacts or break faith and thus destroy the righteous principles governing the relations of mankind. I remember the meeting of Tanaka and our late Tsungli (Dr. Sun Yat-sen) in Shanghai in the third year of the Republic which coincided with the outbreak of the Great War in Europe. Tanaka proposed that East Asiatics should at that time denounce all ratified relations with foreign countries and erect a new order in East Asia. Dr. Sun queried: 'Would it not involve the breaking of international treaties?' To which Tanaka answered: 'Is not the denunciation of international treaties and termination of unequal obligations advantageous to China?' 'Unequal treaties should be terminated by straight-forward and legitimate procedure,' solemnly declared Dr. Sun, 'and China is not prepared to become a party to the illegal denunciation of treaties even though advantageous to our country' Comrades, such is China's spirit. It is also the spirit of the Three People's Principles. We have relied on this spirit to resist invasion; we have depended on this spirit to resist all forms of domination, force and violence. We should be sustained by this spirit to restore order in East Asia and offer it as a contribution towards enduring world peace.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

"To conclude, this war on the part of Japan is violent banditry brought about by the total collapse of morals and sound principles in that country. Insofar as China is concerned, we have courageously taken upon our shoulders the world responsibility of fighting for justice and righteousness. Of late, the Japanese militarists have lost their senses, and prompted by sheer inertia, are rapidly going the way to exceed all bounds and damage the civilization and happiness of mankind. Nations of the world which are bound by treaty obligations should have acted to maintain the sanctity of treaties and apply punitive measures against the aggressor so that light might have been restored to the present scene of impenetrable darkness. But the nations hesitated and looked on. China, unmindful of any sacrifice, however, took upon herself the immense responsibility at the time when the fate of righteousness and justice were in the balance.

"Our object in prosecuting this war of Resistance, is to complete the task of national revolution and secure for China independence, liberty and equality. Internationally, our object is to support righteousness and justice, restore the prestige of treaties, and re-establish peace and order. This is a war between good and evil, between right and wrong. It is a war between justice and force, and a war between an abider by the law and a breaker of it. It is also a war between righteousness and brute-force.

"A Chinese proverb says: 'virtue never lacks company; it will ever find support'. The force of world justice will rise, and men of goodwill will ultimately co-operate in the interests of rectitude. On our part, we should hold fast to our stand and fix our eyes steadfastly on our goal, and be firm in our determination. Our firmness should increase with greater difficulties, and our courage should rise with prolonged Resistance. The entire nation should carry on with oneness of heart. The final victory will be ours. I urge my comrades, our army, and our people to redouble their efforts in order to attain success."--
 END.

China Information Committee
 P. O. Box 107
 Chungking, China
 Jan. 10, 1938.

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

793.94

DOCUMENT FILE

NOTE

SEE 893.5034/370 FOR #3827

FROM Japan (Grew) DATED April 13, 1939.
TO NAME 1-1127 ***

REGARDING: Plans for the economic exploitation of North and Central China
by Japan.

Reporting concerning-, comments in premises.

FRG.

793.94/14948

14948

013

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

DOCUMENT FILE

NOTE

SEE 846g.00/42 FOR tel # 140, noon

FROM Hong Kong (Southard) DATED May 1, 1939
TO NAME 1-1127 870

REGARDING: Sino-Japanese conflict, April, 1939.

Developments and events at or near
Hong Kong which have relation to
China. Summary of -, for month of
April, 1939.

aa

793.94/14949

14949 -

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

EVE

JR

GRAY

Hong Kong via N. R.

Dated May 1, 1939

Rec'd 10:30 a.m., 2nd.

Note
793.94

Secretary of State,

Washington.

140, May 1, noon.

The following is our summary for April.

One. Reports continue to come periodically into Hong Kong of armed Japanese landings from Pearl River for purpose of raiding Namtao and other Chinese villages not far inland from the Hong Kong frontier. These raids do not appear materially to affect trade intercourse to and from Hong Kong over the frontier and there are few refugees.

Two. During the month there have appeared here further statements by Wang Ching Wei in connection with his peace proposals. Copies of our reports on this subject have gone by mail to Peiping.

Three. At least one well known Chinese, as described in our telegraphic report to the Department and repeated to Peiping has been in Hong Kong during the month endeavoring to discuss Japanese peace proposals with influential Chinese.

Four.

8469.00/42

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

-2- #140, May 1, noon, from Hong Kong via N. R.

Four. There is noticeable here amongst influential Chinese a distinct optimism and remarkable increase of morale, which we understand is reflected from Chinese Central Government, arising from the recent American and British loans to the Chinese.

Five. Informed sources in Hong Kong continue to discuss and expect early Japanese invasion from the coast into Kiangsu Province.

Six. In spite of Japanese vigilance Hong Kong appears to continue to carry on an (?) of (?) the Chinese which is said often to follow devious routes and which in volume has exceeded earlier predictions.

Seven. Continued reports of Japanese construction of somewhat pretentious airfield a few miles the other side of Bocca Tigris, about fifty miles from Hong Kong, are given importance by Hong Kong authorities in their planning for general defense of the colony in the event of hostilities.

Two Japanese steamers from Macao and a British steamer and gunboats from Hong Kong continue to provide this colony with regular mail and passenger transportation with Canton. Transportation of merchandise for commercial purposes is not permitted although there has been some reported traffic of that kind by parcel post, especially of
 silk

013^c
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

-3- #140, May 1, noon, from Hong Kong via N. R.

silk from Canton, which Japanese understood now to have been considered. My Japanese colleague here predicts that Pearl River will be reopened "very soon" for regular commercial traffic.

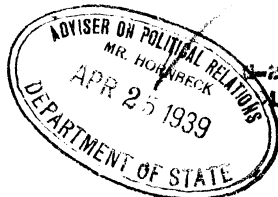
Sent to Peiping, Chungking, Shanghai and Canton.

SOUTHARD

CSB

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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. Gustafson NARS, Date 12-18-75



Digest of Information
 Sino-Japanese Situation
 April 7-21, 1939

1. MILITARY OPERATIONS.

a. North China. The period has been marked by extensive small scale Chinese operations throughout North China against the Japanese advanced elements and lines of communications. Both organized formations and guerrillas participated.

Intensified activity commenced on April 9, when there was apparently a mutiny of Chinese troops in Japanese service at Kaifeng, Honan, resulting in the killing of General Hu Yu-kun, head of the "Pacification Committee" and some five of his associates. The local Japanese garrison seems to have ejected the mutineers from the town, but they were reinforced by a few Chinese troops, renewed the attack, again secured a foothold in the city and were again expelled. Fighting is still going on in the outskirts of Kaifeng.

In the next two or three days new Chinese attacks developed throughout North China. The Tain-Pu Railroad was cut between Tainanfu and Tainan and again at Tsechow. Fairly reliable reports indicate an attack on Kauchow (Kiangsu). The Kin-Han Railway was raided between Pao-tungfu and Shihohsiachwang. The important coal mines at Tatung are reported to have been flooded, those at Koutoukew, near Peiping, damaged and apparently attacks have been launched against Paotow. The Cheng-Tai and Tung-Pu lines were cut in Shensi. Meanwhile a series of attacks were launched from the southeast and south against the Japanese in southern Shensi. This fighting is now spreading up the Tung-Pu Railway to the north. In every attack the Chinese forces have been relatively small, probably never exceeding 2,000 men. No attacks are reported as originating in those areas of Shantung and Hopei where the Japanese have consolidated their hold. To date the offensives have caused the Japanese some embarrassment and probably an extensive number of casualties. However, they have held all key positions and apparently have not loosened their grip on central Hopei and coastal Shantung.

Comment: These Chinese attacks unquestionably represent the successful revitalization of activity in the Japanese occupied areas by the dispatch of new units and leaders to bolster up the guerrillas. The desirability of such a step has long been obvious. While the interrelation of the various attacks can hardly be regarded as approximating a coordinated offensive operation, nevertheless the placing of numerous detachments in position to operate against sensitive points and the successful synchronizing of the "jump-offs" mark the best example of Chinese

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CSD Letter, May 3, 1972

By 3/19/73

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 MAR 4 1942

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

offensive planning since the outbreak of the war. There can be no question that the moral effect of this demonstration of Chinese ability and willingness to counterattack will be profound on the Chinese people and on the Japanese high command. However, there is to date no indication that any series of minor attacks will result in the expulsion of the Japanese from areas which they regard as key terrain.

The Kaifeng incident may prove to be of great political importance. The "Pacification Committee" installed there was originally organized to be the means for bringing Wu Pei-fu out of retirement and into national affairs as head of a government acceptable to Japan. On Wu's hesitating to commit himself, the Committee was nevertheless installed at Kaifeng and rumors persisted that important Government forces in central Honan were prepared to change their allegiance. The fact that defection occurred among the Committee's troops instead of among the National forces would seem to indicate that the Japanese have been out-intrigued and that Wu Pei-fu has been pushed into the political background.

b. Related information indicates that the Japanese have abandoned the line of communication Hefei--Sinyang and have given up the territorial corridor they controlled in northern Anhwei and southern Honan.

c. Central China. The Japanese westward advance in Kiangsi has halted. Extensive troop movements are reported from Hankow, which may involve large contingents of replacements or tactical regrouping of units from the Hanchang front. Japanese offensive action would seem to be clearly preaged, either in the direction Yochow--Changsha or Anlu--Ichang. It is believed that the Japanese have available in the Wuhan area forces sufficient to capture either Changsha or Ichang by a direct push but not enough to justify wide coordinated maneuvers with a view to destroying masses of the Chinese Army.

On April 18 the Japanese captured Huling, south of Hsiukiang, by frontal attack. Chinese resistance and losses are reported as slight.

d. South China. Probably as a result of their losses at Hongmoon, the Japanese have been contracting their lines around Canton, abandoning the town of Tsengsheng. This movement has stimulated the Chinese into activity all around Canton, but in view of the defensibility of the Japanese position, of the Japanese superiority in materiel and of the Chinese inability to date to operate against water-borne lines of communication, any serious attempt to recapture the city would seem to be unlikely.

On April 14 Japanese planes bombed flying fields at Kunming and Mengtze (Yunnan). Inasmuch as Mengtze is on a short spur of the French-owned Yunnan Railway it is possibly significant that no attack was directed against the main railroad line.

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

2. MISCELLANEOUS.

a. On April 15 the Chinese Government announced the impending issue of two domestic loans of Yuan 600,000,000 each, one to finance the conduct of the war and the other for economic reconstruction and expansion. Technical experts believe that the loans will be raised without difficulty, with the majority of the bonds being absorbed by the Chinese banking system.

b. Numerous reports from North China indicate that the currency regulation measures and export restrictions enforced there are paralyzing domestic commerce and drying up all except yen foreign exchange. Some observers expect a general easing of the regulations in the near future.

c. On April 7 General Kuniaki Koiso replaced Yoshiaki Hotta as Minister of Overseas Affairs in the Japanese cabinet. General Koiso is an old associate of General Arami's and a long time member of the so-called "Young Officers Group." His appointment has been variously interpreted as an indication of a trend still farther to the right in the Japanese Government and as merely personal recognition for past services. To date no new significant trends in the policy of the government of Japan have been discerned.

d. On April 19 Sir Archibald Clark Kerr, British Ambassador to China, arrived in Chungking, following conferences in Shanghai with Sir Robert Craigie who holds the same post in Japan. Sir Archibald has denied categorically that he is concerned in any mediation or peace proposals. However, as is only to be expected, widespread speculation has arisen in this direction.

e. Early in April there was made public by Iohai (Japanese news service) in Hongkong a lengthy statement attributed to Wang Ching-wei and addressed to the Chinese nation, alleging substantially that Chiang Kai-shek in December, 1937 had agreed in principle to Japanese peace terms more drastic than those embodied in the Honoe statement of December 22, 1938. The Chinese Government took no notice of the statement but on April 5 the Ta Kung Pao of Chungking commented caustically on "the traitorous activities" of Wang Ching-wei and alleged that he had a secret agreement with Premier Hiroshima. This Wang Ching-wei denied heatedly in a week statement also circulated by Iohai on April 11.

Comment: The net result of this maneuver has been the administration of a severe set-back to Wang's influence and to his effective participation in a Chinese government acceptable to Japan. Coupled with the collapse for the present of the scheme for Ku Pui-fu's re-emergence (see par. 1 a above) and with the successful campaign of terrorism and shame in progress against all Japanese-sponsored Chinese officials, it would appear that Japan's efforts to obtain Chinese political cooperation are for the moment completely bankrupt.

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

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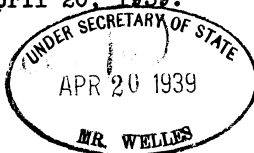
DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

April 20, 1939.

U
Mr. Welles:

S
Mr. Secretary:



193.94/14951

With reference to the aide-mémoire which the Chinese Ambassador left with Mr. Welles on April 15, in regard to proposed principles of cooperation in the Far East, it is suggested that reply be made orally but that with a view to ensuring accuracy of understanding a statement be handed to the Chinese Ambassador as a record of comments made orally. A statement which it is believed would take care adequately of the matter is attached.

If you approve the procedure suggested and the nature of the reply, as set forth in the attached paper, it is suggested that reply be made to the Chinese Ambassador by Mr. Welles or by Mr. Hornbeck.



M. J. H.

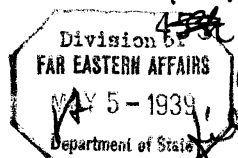
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75



AIDE MEMOIRE

The Chinese Government, in its sincere desire to be associated with the democratic nations in their imminent struggle against the aggressor nations, has recently proposed to the British and French Governments the following principles of co-operation in the Far East:-

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- I. China, Great Britain and France, in their military and economic co-operation in the Far East, should, at some suitable time, invite Soviet Russia to participate in the co-operation and notify the United States of America with the request that it undertake parallel action, so that co-ordinated steps may be taken against Japan for the maintenance of their interests in the Far East.
- II. The Powers participating in the war against Japan must not negotiate separately and individually an armistice or peace with the enemy.
- III. On the military side, China promises to supply to her capacity the fighting forces, the man-power and the natural resources; while the other Powers promise to send as much as possible their naval and air forces to participate in the joint warfare in the Far East. The participating Powers shall each appoint one military representative with full powers to discuss, decide upon and carry out the details of planning and execution.
- IV. On the economic side, the participating Powers promise to mutually maintain as far as possible their respective currencies and commerce. They shall each appoint one economic representative with full powers to discuss,

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

460

-2-

to discuss, decide upon and carry out the details of planning and execution.

The French Government, in promising to give consideration to these proposals, has suggested that any such plan must be discussed with the Government of the United States of America.

The British Government replied on April 12, 1939, to the effect that it did not deem the present situation in the Far East as having developed to such a stage that it could profitably consider these proposals of the Chinese Government; and that the British Government, in dealing with the general political and international situation, would give the matter close attention.

The Ambassador is instructed to communicate these proposed principles of co-operation to the Government of the United States of America for its consideration. It is the earnest hope of the Chinese Government that, should the occasion arise, the American Government would use its great influence in helping to realize such an international co-operation in the Far East.

Chinese Embassy,

Washington, April 14, 1939.

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

DEPARTMENT OF STATE
RECEIVED
DEPARTMENT OF STATE
Memorandum of Conversation

1939 MAY 4 AM 10 24

DATE: April 15, 1939

SUBJECT: Proposed principles of cooperation in the Far East.

PARTICIPANTS: The Chinese Ambassador, Dr. Hu Shi,
the Under Secretary

COPIES TO: S, FE, PA/H



The Chinese Ambassador called to see me this morning and handed me the aide-mémoire attached to this memorandum. The Ambassador said that he had received the first part of this aide-mémoire from his Government some days ago and that in order to assure himself that the text and translation were similar to that used by his colleague in London, he had cabled the latter and the latter part of the aide-mémoire handed to me came from the Chinese Ambassador in London.

After I had read the aide-mémoire I said that, as the Ambassador would understand, I could not at this time make any comment upon it as I would first have to

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

-2-

462

consult the Secretary of State. I asked the Ambassador, however, if he would be good enough to explain to me what was meant by the phrase "parallel action" in the first point of the aide-mémoire. The Ambassador said that his interpretation of this phrase was that the Chinese Government did not propose that the United States take any military action in conjunction with China, Great Britain and France against Japan, but was intended to imply the hope that should China, Great Britain and France engage in military action against Japan, the United States would support such action by economic or financial measures.

I told the Ambassador that I should be glad to see him next week after I had consulted with the Secretary of State.

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

463

May 8 1939

STRICTLY CONFIDENTIAL

No. 171

Willys R. Peck, Esquire,
 American Chargé d'Affaires ad interim,
 Peiping.

Sir:

There is enclosed for your strictly confidential information a copy of an aide-mémoire of April 14, 1939, from the Chinese Embassy, a copy of a memorandum of conversation of April 15 between the Chinese Ambassador and the Under Secretary of State, and a copy of a statement which was read to the Chinese Ambassador on May 1 in regard to proposed principles of cooperation in the Far East.

Very truly yours,

For the Secretary of State:

Sumner Welles

Enclosures:

1. Aide-mémoire from Chinese Embassy, April 14.
2. Memorandum of conversation, April 15.
3. Statement read to the Chinese Ambassador, May 1.



MAY 8 1939

Copy to Chungking.
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 5-5

[Handwritten signature]
 FE
[Handwritten initials]

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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 O. Gustafson NARS, Date 12-18-75

May 8 1939

STRICTLY CONFIDENTIAL

No. 690

The Honorable

Joseph P. Kennedy,
American Ambassador,
London.

Sir:

There is enclosed for your strictly confidential information a copy of an aide-mémoire of April 14, 1939, from the Chinese Embassy, a copy of a memorandum of conversation of April 15 between the Chinese Ambassador and the Under Secretary of State, and a copy of a statement which was read to the Chinese Ambassador on May 1 in regard to proposed principles of cooperation in the Far East.

Very truly yours,

For the Secretary of State:

Sumner Welles

Enclosures:

1. Aide-mémoire from Chinese Embassy, April 14.
2. Memorandum of conversation, April 15.
3. Statement read to the Chinese Ambassador, May 1.



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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 O. Gustafson NARS, Date 12-18-75

May 8 1939

STRICTLY CONFIDENTIAL

No. 1463

The Honorable

William G. Bullitt,
American Ambassador,
Paris.

Sir:

There is enclosed for your strictly confidential information a copy of an aide-mémoire of April 14, 1939, from the Chinese Embassy, a copy of a memorandum of conversation of April 15 between the Chinese Ambassador and the Under Secretary of State, and a copy of a statement which was read to the Chinese Ambassador on May 1 in regard to proposed principles of cooperation in the Far East.

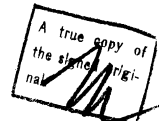
Very truly yours,

For the Secretary of State:

Sumner Welles

Enclosures:

1. Aide-mémoire from Chinese Embassy, April 14.
2. Memorandum of conversation, April 15.
3. Statement read to the Chinese Ambassador, May 1.



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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. Gustafson NARS, Date 12-18-75

May 8 1939

STRICTLY CONFIDENTIAL

No. 1720

The Honorable

Joseph C. Grew,
American Ambassador,
Tokyo.

Sir:

There is enclosed for your strictly confidential information a copy of an aide-mémoire of April 14, 1939, from the Chinese Embassy, a copy of a memorandum of conversation of April 15 between the Chinese Ambassador and the Under Secretary of State, and a copy of a statement which was read to the Chinese Ambassador on May 1 in regard to proposed principles of cooperation in the Far East.

Very truly yours,

For the Secretary of State:

Sumner Welles

Enclosures:

1. Aide-mémoire from Chinese Embassy, April 14.
2. Memorandum of conversation, April 15.
3. Statement read to the Chinese Ambassador, May 1.

MAY 6 1939

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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. Gustafson NARS, Date 12-18-75

5/1/39

Read to
Chinese Ambassador
& handed to him
on an oral statement
2-1-39.
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The Chinese Embassy's aide-mémoire of April 14
relating to proposed principles of cooperation in the
Far East has been read with care.

It is believed that the Chinese Embassy is fully
aware of this Government's attitude on the subject of
cooperation and parallel action. Clear indications of
this attitude are given in the texts of documents which
have been released to the press by the Department of
State and by the White House.

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

TELEGRAM RECEIVED

EDA

PLAIN

FROM CHUNGKING VIA N.R.

Dated May 4, 1939

Received 7:30 a.m.

Secretary of State

Washington

307, May 4, 9 a.m.

My 306, May 3. / 14944

Investigations made by officers of the Embassy in
Chungking yesterday failed to disclose any personal
injuries suffered by American citizens.

Repeated to Peiping.

PECK

DDM

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NOTE
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COPIES SENT TO
DIVISION OF
FAR EASTERN AFFAIRS
MAY 4 - 1939
Department of
State

793.94/14952

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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. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 894.3393/49 FOR despatch # 268

FROM Tsingtao (Sokobin) DATED Apr. 3, 1939
TO NAME 1-1127 ***

REGARDING: Visit of Japanese Navy to Tsingtao
March 28 and 29. Report concerning
maneuvers and activities connected
with -.

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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. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Tsinan/115 FOR #59 to Embassy

FROM Tsinan (Hawthorne) DATED Apr. 3, 1939
 TO _____ NAME _____ 1-1127 ***

REGARDING: Military situation in Tsinan District: report on same.
 Japanese Consul General at Tsinan instructed to return
 to Tokyo for conference.

wb

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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. Gustafson NARS, Date 12-18-75

2. Japan.

a. Japanese Consul General recalled for conference.

Mr. Manabu Arino, Consul General for Japan at
Tsinan, left for Japan on March 23rd, having been
instructed to return to Tokyo for a conference. It

is

1. See Consulate's despatch to Embassy no. 58, March
27, 1939, 360.

- 3 -

is thought probable that his visit to Japan was intentionally made to coincide with the Tokyo convention of North China Mayors.

B. Military situation.

Reports of military activities during March were even more conflicting than usual, but it appears definite that Chinese Communist troops (units of the 8th Route Army) harassed Japanese garrisons in western Shantung, while the three divisions of the 51st Army under General Yu Hsueh-chung (于學忠) engaged the attention of Japanese forces in northern Anhwei, northwestern Kiangsu and southern Shantung.¹ These facts are confirmed by announcements to the press by the local Japanese military headquarters. Pertinent excerpts, in translation, are quoted below:

"On March 27th about 300 Communist bandits of the 8th Route Army launched an offensive upon the Japanese garrison at Pei Ch'uan but were forced to retire....."

"On March 27th a Japanese detachment clashed with about 500 Communist bandits at Hsiung Chia Miao and Liu Chai, about 15 kilometers northeast of Yunch'eng, and forced them to retreat in a northeasterly direction....."

"On March 28th the same detachment routed about 1,000 bandits under Liu Yao-t'ing at Ting Lou (2 kilometers west of Shanhsien)....."

"On March 28th a Japanese detachment clashed with 800 bandits at Ku Chwang (7 kilometers northeast of Shanhsien)....."

"On March 28th a Japanese detachment clashed with about 800 bandits west of Taerchwang and forced them to retreat in a southern direction..."

"The 113th, 114th and 118th Divisions of troops, approximately 40,000, under the command of Yu Hsueh-chung, Commander of the 51st Army Corps of the Kuomintang Government, attempted the invasion of the mountainous districts in southern Shantung from Fowyang (Yingchow), and reached Mengch'eng about the middle of March.

1. See Consulate's telegrams nos. 9, 12 and 13, sent to the Department and repeated to Embassy. They

- 4 -

They then proceeded to Nan Ping Chen and Chin Hsien Chi, south of Suhsien, planning to move northward through Ta Tien Chi in a northeasterly direction. One of the Japanese detachments clashed with part of the 114th Division at Hsiao Ku Chwang and forced them to retire.... Four Japanese detachments are managing to halt the northward march of Yu's troops and are attempting to encircle and annihilate them...."

It is thought probable (see Consulate's telegram no. 16, March 20, 4 p.m.) that a Chinese military plan for a concerted attack on Tainan may have been frustrated by General Yu's northward advance having been checked by the Japanese, as alleged. Otherwise, there would appear to have been no purpose in the convergence towards Tainan of units of the 8th Route Army which, obviously, were not strong enough to risk an unsupported attack on this city.

That the Japanese military took no serious view of operations of Chinese troops in Shantung, even near Tsinan, was indicated by an order extending the closing time for Tsinan city gates from 9 to 11 p.m. Further evidence of Japanese confidence in the situation was seen in the announcement by Kokusai (a subsidiary of the South Manchuria Railway Company) that beginning April 1st that firm will insure cargo transported by the Tsingtao-Tainan Railway for a normal premium.

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

TELEGRAM RECEIVED

FROM

JR

PLAIN

Swatow via N. R.

Dated May 4, 1939

Rec'd 1:40 p.m.

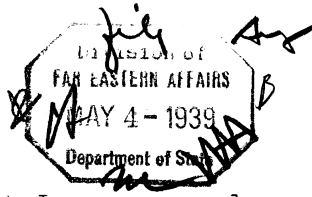
Secretary of State,
Washington.

8, May 4, 5 p.m.

During five air raids today eight Japanese naval planes bombed godown area in northwestern section of Swatow, machine gunned Kityang ferry landing but number of casualties not yet ascertained. Six shells were dropped on Chinchai coast from one of three cruisers anchored outside harbor. No American casualties or property damage reported. Repeated to Chungking, Peiping.

YOUNG

CSB



793.94/14955

F/FG

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

TELEGRAM RECEIVED

FROM

JR

PLAIN

Chungking via N. R.

Dated May 4, 1939

Rec'd 1:40 p.m.

Secretary of State,

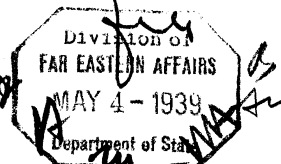
Washington.

309, May 4, 8 p.m.

Twenty-seven Japanese planes bombed at approximately
six thirty p.m., those portions of Chungking not affected
in yesterday's raids. Possible objectives not yet
determined. Repeated to Peiping, Shanghai.

PECK

CSB



793.94/14956

F/F G

015

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

RECEIVED
April 22, 1939. *ph*
DEPARTMENT OF STATE

JWB
MMH

With regard to the information contained in the enclosure of the attached letter of April 14, 1939, addressed to Mr. Moffat of EU, in regard to conditions in Japan, the information is so exaggerated in certain points (workingmen's wages have not gone up 400 percent) and so inaccurate in other points (all Japanese flying corps instructors are not Germans) that it would seem advisable to do nothing in regard to the document.

FE:Salisbury *ph*

11

0158

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



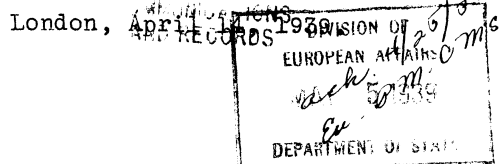
THE FOREIGN SERVICE
 OF THE
 UNITED STATES OF AMERICA

RECEIVED

DEPARTMENT OF STATE



1939 APR 21 PM 3 37
 AMERICAN EMBASSY



Dear Pierrepont:

The Ambassador has asked me to send you the enclosed memorandum which was given him yesterday by Colonel Scanlon, the Air Attaché, who had in turn received it from a representative of Curtis Wright in London. The Ambassador thought it might be of interest to you.

Yours, as ever,

Handwritten signature: Hensley

Enclosure:

as stated.

J. Pierrepont Moffat, Esq.,
 Chief, Division of European Affairs,
 Department of State,
 WASHINGTON.

FILED
 MAY 1939

F/FG 14957

793.94/14957

793.94

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

I ran across a fellow South African. His father is distributor for in Japan. This man has just come across for a visit and these are the views he gave me. All depts. dealing with finance are under control of Germans. The real standing Army is still in Japan and being trained by Germans for the "big show" against the Russians. All flying corps instructors are now German. The man in the street takes a fatalistic outlook on the "holy" war. Men are called up for three years and if maimed are supported (forcibly if need be) by the neighbours, as no pensions are paid. The working people are better off than before, because their wages have gone up at least 400%. The middle men and middle classes are suffering badly. The talk of Communistic activities is bunk.

In all his business dealings he has eventually got to the real controller and in each case it is a German. He was most depressed but is continuing because he can do nothing else. The French and ourselves are the laughing stock of all the Japs while America is "too easy" to consider seriously. There appears to be no shortage of cash to buy war material.

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

April 25, 1939.

Dear Herschel:

In reply to your letter of April 14th sending a memorandum of information given to Colonel Scanlon by a representative of Curtis Wright in London, I duly sent this on to the Far Eastern Division. According to FE's memorandum, the information is grossly exaggerated in certain points, for instance, workmen's wages in Japan have not gone up 400%, nor are all Japanese flying corps instructors German.

Thanks, however, for passing it on. Every now and then information of this sort proves to be of real value to some Division.

As ever yours,

Herschel V. Johnson, Esquire,
Counselor, American Embassy,
London.

Eu:PM:CMS

793.94/14957

F/FG

016
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Quisenberry NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Tsingtao/129 FOR Despatch # 404

FROM Tsingtao (Sokobin) DATED Apr. 6, 1939
TO NAME 1-1127 o.p.o.

REGARDING: Sino-Japanese relations: Report
concerning -, for month of
March, 1939.

aa

793.94/14958

14958

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

3. Japan

793.94
Japanese policy in regard to the duration of the occupation of Tsingtao was further indicated when the enormity of the extent of the military establishment under construction in this city became apparent during March.* What was first reported to be a military hospital

*See Tsingtao's telegram no. 55 of March 16, 1939, 9 A.M.

- 7 -

hospital later revealed itself as an establishment covering approximately 675 acres of land with buildings, presumably barracks, undergoing construction in all parts of this huge site. The establishment, which can hardly be anything else but an army post for a division of men, if not more, is an effectuation of Japanese military policy disclosed in the Japanese Diet on January 30, 1939, by the War Minister. The following despatch which appeared in the CHRISTIAN SCIENCE MONITOR of January 31 last, is quoted in full; the subject appears to have received less attention than it appears to deserve as revealing Japanese long term intentions:

"TOKYO, Jan. 31, 1939 (AP) The first unqualified admission that Japan intends to maintain military forces in China indefinitely was given to the Diet yesterday by the War Minister, Lieut. Gen. Seishiro Itagaki.

Previously the only official reference to the question was that of Former Premier Prince Fumimaro Konoye's in his statement on Dec. 22 that troops would be kept at "certain specified points" as an anti-Communism defense.

The War Minister, in response to a question said that the Army would station troops over wide areas of China "for a considerably long time" and added that it was impossible to tell just how long.

"The stationing of Japanese troops (in China) is necessary from various viewpoints, particularly the strategic," General Itagaki said.

"The Army already has made full preparations for this. Construction of the necessary barracks is under way and the Army is studying measures to furnish provisions, clothing, and medical services for the troops."

The questioner then asked the views of the Navy Minister, Admiral Mitsumasa Yonai, who replied:

"The Navy considers the Yangtze Valley especially important, has dispatched a strong

fleet

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

- 8 -

fleet to this area, and plans to strengthen this even after the end of the (China) incident'."

Asia Affairs Board

Japanese long-term policy in this region was also revealed during the month in the opening of the Tsingtao office of the Asia Affairs Board under the direction of a naval officer formerly in charge of the Japanese Naval Special Mission. In assuming his office Captain Shibata referred to the "new order" in Eastern Asia to the construction of which he would devote himself; he referred also to the need for cooperation in commercial and economic matters, and to the special position which Tsingtao occupies in the relations between this region and Japan. The part which the Tsingtao office of the Asia Affairs Board will play in the government of the city of Tsingtao was also disclosed by the appointment of Captain Shibata as "Highest Adviser" to the Tsingtao Special Municipal Administration.*

Japanese Campaign in Southeastern Shantung

Early in March the Japanese undertook a vigorous campaign against Chinese troops which for long had maintained themselves on the border of Shantung and Kiangsu Provinces in the vicinity of Haichow and along the coast of northeastern Kiangsu where the principal salt producing fields in China are situated.

It

*See Tsingtao's despatch no. 402 of March 23, 1939, file no. 800/810.1, subject: "Asia Affairs Board Office in Tsingtao."

- 9 -

It is understood that the eastern section of the Lung Hai Railway between Haichow and Yunho on the Grand Canal was occupied by the Japanese. In the economic sense the occupation of this section had no importance for the reason that the railway tracks and sleepers had long ago disappeared; on the other hand the occupation of Haichow (or rather the port of Lien Yun Kang (連 雲 港) and the coastal region south thereof was of prime economic importance at this time because of the salt fields. These fields will supply probably all of Japan's important requirements of salt and in any case will obviate the necessity for importing salt from such a far off source as Africa and will relieve Japan's need for a considerable amount of foreign exchange hitherto required for imports of salt from sources other than China and Manchuria. The importance attached to the occupation of the Kiangsu coastal salt fields was shown by a Domei despatch to the effect that a party of Japanese army and navy officers had arrived at Haichow to draw up measures for the military administration of the fields.*

Return of Tsingtao to Germany Discussed

Tsingtao residents were impressed by a Reuter despatch dated Berlin, March 24, 1939, stating that "unofficial political circles are discussing the possibility of the return of Tsingtao, former German possession situated in Shantung Province, China, to the

*See Tsingtao's telegram no. 56 of March 17, 10 A.M.

016F

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

- 10 -

the Reich by Japan". A Trans-Ocean (German) news despatch of the following day stated that the report had caused "astonishment" in Berlin, and that "no negotiations with Japan on this subject are being conducted or contemplated".

A cursory view of the Japanese entrenched position in Tsingtao and Shantung reveals the military post under construction, the Asia Affairs Board, the currency situation, the coal mines, the consolidation of the Tsingtao-Tsinan Railway with the "North China Railways", the North China Telegraph and Telephone Company, the Tsingtao Harbor Company, the Uraga Dock Company, the light and power company, the cotton mills and other industrial enterprises, the salt fields, and would hardly indicate that there will be any willingness on the part of Japan to withdraw from Tsingtao under any arrangements susceptible of negotiation with Germany.

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

15557

REB

TELEGRAM RECEIVED

GRAY

Tokyo via Shanghai & N.R.

FROM Dated May 5, 1939

Rec'd 1:15 p. m.

Secretary of State,
 Washington.

May 5, 5 p. m.

FOR THE DEPARTMENT AND CHUNGKING:

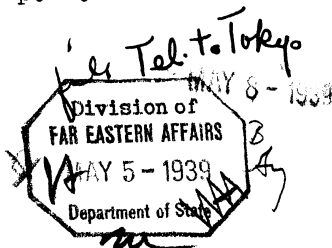
214, May 5, 5 p. m.

The Foreign Office transmits to us a message from
 the Navy Department as follows:

"Having been subject to intense fire from anti-aircraft guns during bombing of military establishments at Chungking on the 4th, a squadron of airplanes of the Imperial Navy retaliated on these defenses with a view to their destruction. This information is given pending the receipt of details, as it is not impossible that bombs or fragments thereof may have caused damage to foreign consulates situated in the neighborhood of anti-aircraft defenses."

GREW

HPD



793.94/14959

F/FG

0168

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

5558

PREPARING OFFICE
 WILL INDICATE WHETHER

Collect

Charge Department
 OR

Charge to

\$

TELEGRAM SENT

Department of State

TO BE TRANSMITTED
 X CONFIDENTIAL CODE X
 NONCONFIDENTIAL CODE
 PARTAIR
 PLAIN

"Br"

1939 MAY 8 PM 6 24 NAVAL RADIO

Washington,

MAY 8 - 1939

7PM

AMEMBASSY,

TOKYO (Japan) VIA SHANGHAI. *EXR*

INFO: AMEMBASSY, CHUNGKING (China).
 AMEMBASSY, PEIPING (China).

This cable was sent in confidence. It should be carefully paraphrased before being communicated to anyone. *BR*

119

Reference your 395, September 20, 8 p.m., 1937, and
 Department's 221, September 21, 6 p.m., 1937; your 368,
 June 9, 7 p.m., 1938; and your 214, May 5, 5 p.m.

The Department desires that, unless you perceive
 objection, you call on the Foreign Minister at your
 earliest opportunity and make emphatic representations,
 based primarily on humanitarian grounds and along the
 general lines indicated in the first three telegrams
 under reference, against the recent indiscriminate
 bombings of civilian populations of Chungking, Swatow,
 Ningpo, and Foochow. You may in your discretion state that,
 according to reports received by the American Government,
 destruction caused by the Japanese air raids was confined
 almost entirely to civilian lives and civilian property.

Repeated to Chungking and Peiping.

FE:LES:EJL

FE

7/7/41

PA/H

LE

Hull
D.H.

Enciphered by _____

Sent by operator _____ M., _____, 19 _____

D. C. R.—No. 50

1-1462 U. S. GOVERNMENT PRINTING OFFICE

MAY 8 1939

793.94 / 14959

F/EG

0169

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

15559

TELEGRAM RECEIVED

REB

GRAY

LEGAL ADVISER
MAY 9 1939
DEPARTMENT OF STATE

FROM Shanghai via N. R.

Dated May 5, 1939

Rec'd 2 p. m.

Secretary of State,
Washington.

May 5, 4 p. m.

Division of
FAR EASTERN AFFAIRS
MAY 6 - 1939
Department of State
Tel. T. Shanghai

793.94

Reference Japanese bombing of Chungking. I have received letter from Japanese Consul General saying that Japanese naval authorities state that units of their air forces raided Chungking on May 4 at about 7 p. m., their objective being headquarters of the Chinese Military Council, that furious fire was opened against them from approximately fifty guns placed quite close to "American, British, French, and German official establishments", that the fire was so intense that other units had no choice but to attack the Chinese at the guns mentioned to safeguard the preceding units, that they did so and effectively silenced the enemy, that the Japanese authorities wondered if by any chance some of the bombs may have landed near some of the foreign establishments above mentioned and if so the circumstances were as above described.

793.94/14960

F/F G

Two.

9

0170

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

15580

REB

2- From Shanghai, May 5, 9 p. m.

Two. A Japanese Consular officer delivered the letter in the company of a Japanese naval officer who showed me on a map the area concerned which was the area in which the American Consulate at Chungking was at one time located at the top of the hill to the west of the city.

Three. I stated that we no longer maintained a consulate at Chungking, that our Embassy is located on the south bank of the river and that I recalled having sent to the Japanese Consulate General maps showing the location of American owned and leased property at Chungking. I stated that a message just received from the Embassy mentioned the destruction of the residence of one Vaught as a result of the air raid but that the Embassy's inquiries were not yet complete.

Four. Our records show that the Embassy at Chungking sent us under date of November 4 last year one copy of a map of Chungking showing location of American owned and leased property and that this map was sent by us to Japanese Consul General under ^{date of} ~~last~~ ^{last} November 25 ~~line~~. No copy of the map was available for our files and I am unable to say whether the map showed location of American Embassy at Chungking. If not, I suggest that steps should

be

WB
10/7/39

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

15581

REB

3-#From Shanghai, May 5, 9p.m.

be taken to communicate to the Japanese authorities
exact information on the location of the Embassy houses.

Sent to Chungking, repeated to Peiping, by air mail
to Tokyo.

GAUSS

CSB

0172

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

TELEGRAM RECEIVED

REB

PLAIN
FROM

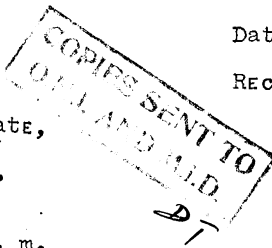
Swatow via N. R.

Dated May 5, 1939

Rec'd 6:57 p. m.

Secretary of State,
Washington.

#9
May 5, 5 p. m.



793.94

Sixteen reported died and over fifty wounded in nine
air raids yesterday. Twelve bombs demolished sixteen
railway coaches at Pangkoi eight miles south Chaochowfu
few casualties. During two severe air raids this morning
eight Japanese planes bombed indiscriminately various
parts of Swatow causing unknown number of deaths and
over seventy wounded.

Repeated to Chungking, Peiping.

YOUNG

NPL

793.94/14961

F/FG

0 1 7

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

INTERNATIONAL MISSIONARY COUNCIL

Composed of the following Organizations

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OFFICE OF STATE
NATIONAL MISSIONARY COUNCIL OF AUSTRALIA
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CONGO
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NATIONAL CHRISTIAN COUNCIL OF CHINA
CONSEIL PROTESTANT DU CONGO
DANSK MISSIONSRÅD
DEUTSCHER EVANGELISCHER MISSIONSTAG
SOCIÉTÉ DES MISSIONS ÉVANGÉLIQUES DE PARIS
CONFERENCE OF MISSIONARY SOCIETIES IN GREAT
BRITAIN AND IRELAND

NATIONAL CHRISTIAN COUNCIL OF INDIA, BURMA, AND
CEYLON
NATIONAL CHRISTIAN COUNCIL OF JAPAN
COMMITTEE ON COÖPERATION IN LATIN AMERICA
CONCILIO NACIONAL EVANGÉLICO DE MÉXICO
NEAR EAST CHRISTIAN COUNCIL
NEDERLANDSCHE ZENDINGSRaad
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NORSK MISSIONSRÅD

FOREIGN MISSIONS CONFERENCE OF NORTH AMERICA
(UNITED STATES AND CANADA)
PHILIPPINE FEDERATION OF EVANGELICAL CHURCHES
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CHRISTIAN COUNCIL OF SOUTH AFRICA
SUOMEN LÄHETYSNEUVOSTO
SVENSKA MISSIONSRÅDET
ASSOCIATION OF MISSIONARY SOCIETIES IN SWITZER-
LAND

CABLEGRAMS: INTMISSION, New York
MISSIONS CODE
TELEPHONE: CHLSEA 2-3233

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Secretaries: WILLIAM PATON, 2 Eaton Gate, London, S.W. 1

SA. L. WARNSHUIS, 156 Fifth Avenue, New York City

Treasurer: S. FREDERICK TELLEN, 156 Fifth Avenue, New York City

156 FIFTH AVENUE
NEW YORK, N. Y.

May 4, 1939.

Mr. Maxwell M. Hamilton, Chief,
Division of Far Eastern Affairs,
Department of State,
Washington, D.C.

My dear Mr. Hamilton:

For your information and without comment, I enclose
some excerpts from a letter by Mr. Baker which came to my
desk yesterday.

Yours faithfully,

A. L. Warnshuis



AIW:W

793.94/14962

F/FG 14962

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

EXCERPTS FROM A LETTER BY MR. J. E. BAKER TO CHINA FAMINE RELIEF U.S.A.
 DATED MARCH 20, 1939

"I feel that the war is approaching a vital phase this summer. If during the rainy season the guerrilla forces in North China are able to cut off these isolated garrisons, it will be the beginning of the end for the invaders. On the other hand, if these hsien cities remain dominated as they are now during that period, there will be little possibility that any force in the future will be able to dislodge them. Already in such towns as Tsinan, Tehchow and railroad cities nearer Tsingtao, there is considerable evidence that the people look upon the present military forces as merely those of another warlord. Chinese police and Chinese troops are actually participating in the order of such cities. I saw Red Spears standing guard at the dugouts which dot the central portion of the Shantung railway every hundred yards.

"Peking looked much as usual, except that the middle of the streets are crowded with Japanese military trucks and on the side-walks one sees a good many Japanese, both men and women. Among the Chinese, one sees this big difference -- they no longer smile. That one fact will be more illuminating to any old China hand than reams of paper covered with descriptive matters.

"One American business man told that his sales in the northwest during the past year were three times as large as any recent previous year. He attributed the increase to the absence of the many troublesome impositions under the Yen Hsi-Shan regime. I mentioned this to his chief today here in Shanghai and was told that his business is now absolutely finished, tax arrangements having been affected so as to throw the business entirely into the Japanese hands.

"On the other hand, there are unseen tides against which the invader struggles. For example, on the day that the new currency became exclusive in Peking and Tientsin, the Bank of China notes went to a premium and the premium was increasing daily during the few days I was in North China.

"The business man quoted above also told me that for ingenious squeezes the present military control in North China has nothing to learn from the old Chinese regime. Somebody remarked at the juncture that the members of the old An-Fu clique, who now constitute the puppet government, were the most capable teachers to be had for that sort of thing. But the rejoinder was "They have improved upon their teachers." As I stopped at Chefoo, I took a walk out to the former school for deaf. As I approached one of the barriers, I saw a Japanese sentry slip a clip of cartridges into the sleeve of a Chinese whom he was pretending to search. This will indicate somewhat how the bandits are able to carry one. It is the bandits rather than the retreating Chinese troops who are definitely creating a "scorched earth" situation.

0 1 7 5

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

Excerpts from a letter by Mr. J. E. Baker to China Famine Relief U.S.A.
dated March 20, 1939, page two

"I have had some contact with the 'other side.' I can not in brief terms make it clear how I know that there is a growing weariness with the war - a growing desire to get their feet out of the fly-paper. It was stated positively to me that if the whole Far East is not to become a chaos, third parties must intervene and make possible a modus vivendi which will save the faces of all concerned. Honor is dearer than life, but all wish to live. If the proper kind of threat could be presented, I believe that the evacuation of the invading troops south of the Great Wall could be arranged, provided that discussions of Manchuria were entirely avoided and that some commercial formula, with respect to North China, could be devised that would sound like something in the way of gains in that region.

"Remembering the Washington Conference and the tactics which were used there, I feel that the most strategic thing which America could do at this time would be to pass the appropriations for the fortifications of Guam and actually start some of the work. I doubt if the completion of the work would be necessary, but I think the expenditure of a few millions there would permit of bargaining which would save the construction of hundreds of millions of dollars worth of battle-ships.

"This may seem to be getting off the subject of famine relief a long way. But on the other hand, there is nothing so basic to famine prevention as an early resumption of peace."

0176

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

May 11 1939

In reply refer to
FE 793.94/14962

Dear Dr. Warnshuis:

I acknowledge with thanks the receipt of your letter of May 4, 1939, with which you enclose excerpts from a letter of March 20 written by Mr. J. E. Baker to China Famine Relief U.S.A. in regard to certain phases of the situation in China. The excerpts from Mr. Baker's letter have been found very interesting and your courtesy in making them available to us is appreciated.

Mr. Hornbeck has asked me to acknowledge and thank you for the identical letter which you addressed to him on May 4 and which he also found very interesting.

Sincerely yours,

M. M. H.
Maxwell M. Hamilton
Chief
Division of Far Eastern Affairs

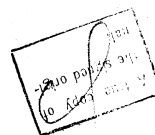
Dr. A. L. Warnshuis,
International Missionary Council,
156 Fifth Avenue,
New York, New York.

OR
MAY 11 1939

89C
FE:EDC:JPS
5-9

new
FE

SKT



793.94/14962

F/FGH

0177

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

793.94

DOCUMENT FILE

NOTE

SEE 890.00/141 FOR Memorandum

State Department
Far Eastern Division

FROM (Salisbury) DATED April 6, 1939.
TO NAME 1-1127 OFO

REGARDING: Sino-Japanese situation: review of developments during past week.

FRG.

793.94/ 14963

14963

0178

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

193.94

DOCUMENT FILE

NOTE

SEE 890.00/142 FOR Memorandum
State Department
Far Eastern Division

FROM (Jones) DATED April 27, 1939.
TO NAME 1-1127

REGARDING: Situation in the Far East: Sino-Japanese conflict.
Developments of past week.

FRG.

793.94/
14964

14964

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

TELEGRAM RECEIVED

FS

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

Chungking via N. R. 15562

FROM Dated May 5, 1939

Rec'd 1:15 p.m.

Secretary of State
Washington.

312, May 5, 4 p.m.

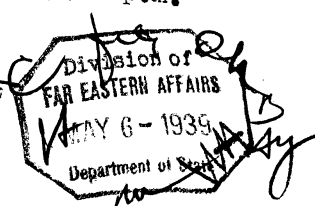
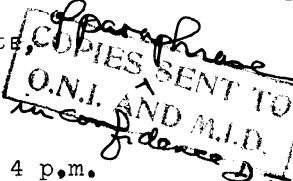
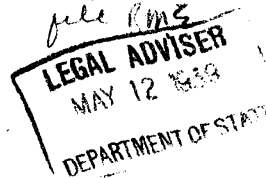
Embassy's 561, August 30, 2 p.m. and Department's
195, August 30, 7 p.m. both 1937.

The outstanding impression left on the non-military mind by the bombings of the third and fourth instant has been the apparent inability of the Chinese to offer any effective opposition to air attack. Although business and residence areas of considerable size have been burned, a foreign correspondent estimates such areas as less than one tenth of the city and states that although the Chinese assert over 100,000 of the inhabitants have evacuated during the last two days the population is calm. Embassy has not been able to learn of any damage to military objectives worthy of mention. Casualties among Chinese probably between one and two thousand. Among foreigners it is reported that one German received wound in his leg and the secretary of the British Ambassador a wound in the head. It is now reported that the house of Vau (~~W~~)ght American citizen the only American property damaged to date was injured but not burned. (END SECTION ONE).

CSB

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PECK



793.94/14965

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

5563

TELEGRAM RECEIVED

JR

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

FROM Chungking via N. R.

Dated May 5, 1939

Rec'd 10:15 a.m.

Secretary of State,

Washington.

312, May 5, 4 p.m. (SECTION TWO).

Assistant Military Attache states that military
institutions regarded as legitimate objects of attack
during a declared war are scattered throughout the city.
It would seem therefore that no protest such as mentioned
in telegrams in reference would be tenable especially
since the diplomatic establishments and foreign civilian
occupied property are likewise scattered throughout the
urban area. Experience indicates that whereas other
Embassies all of which are on the north bank are exposed
to considerable danger the American Embassy on the south
bank will be exposed to little risk.

In spite of the demonstrated vulnerability of
Chungking to aerial bombardment I have not yet heard of
any suggestion that the temporary capital be shifted.

Repeated to Peiping.

PECK

CSB

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

CONFIDENTIAL

(CONFIDENTIAL)

PARAPHRASE

A telegram (no. 312) of May 5, 1939, from the American Embassy at Chungking reads substantially as follows:

The Embassy has been unable to learn that any injury worth mentioning was inflicted on military objectives by the bombings which took place on May 3 and 4. It is likely that there were between one and two thousand casualties among the Chinese. There are reports that among foreigners the secretary of the British Ambassador received a head wound and a German received a leg wound. The house of an American citizen (Vaught), which is the only American property damaged up to the present time, is reported now to have been damaged but not burned. A foreign correspondent judges that, although residential and business districts of considerable size have been burned, these areas comprise less than one tenth of the city. This correspondent states that the population is calm although the Chinese declare that during the past two days more than 100,000 persons have evacuated the city. The seeming inability of the Chinese to oppose air attacks effectively is the outstanding impression which the recent bombings have

left

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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. Christenson NARS, Date 12-18-75

-2-

left on the non-military mind. The Chargé d'Affaires has not heard of any suggestion to change the temporary capital from Chungking despite the fact that Chungking has been shown to be vulnerable to bombardment from the air.

No protest against the bombings would appear to be tenable as the military institutions considered to be, during a declared war, objects which may lawfully be attacked are, according to the American Assistant Military Attaché, scattered in every part of the city and especially since property occupied by foreign civilians and the diplomatic establishments are also scattered in every part of the city. Experience shows that the American Embassy which is located on the south bank of the river will be exposed to little danger although the other embassies which are all located on the north bank of the river are exposed to considerable danger.

793.94/14965

FE:Christenson:HES
 5-8

FE

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

DEPARTMENT OF STATE
 ADVISER ON POLITICAL RELATIONS



193.94/14966

FE:

Co:

I have initialed the two proposed letters.

However, I feel that the Department should give further consideration to this matter. Reference may be made to my memorandum of February 6 (~~action copy supplied and to be returned to me original routed to FE and GE but reported not to be in DCA~~). (The gentlemen who called on and talked with me about this matter did not state to me that they were representing the United Engineering and Foundry Company). I feel that the letter from Mr. Logsdon to Senator Donahey should be called to the Secretary's attention for his information and consideration.

514
 Stanley K. Hornbeck

PA/H:SKH:ZMK

0184

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

15588

TELEGRAM RECEIVED

MA
 This telegram must be
 closely paraphrased before FROM
 being communicated to anyone.
 (Br)

Chungking via N.R.
 Dated May 6, 1939
 Rec'd 7:00 a.m.

Secretary of State
 Washington

in paraphrase
 COPIES SENT TO
 O.N.I. AND M.I.D.
in Confidence

Division of
 FAR EASTERN AFFAIRS
 MAY 8 - 1939
 Department of State

313, May 6, 11 a.m. 793.94/14965
 My 312, May 5, 4 p.m.

793.94

During attack on the fourth, a bomb fell on the servants
 quarters of the British Consulate General now occupied also
 by the Diplomatic Mission killing six Chinese and wounding
 eleven. In another part of the same premises there fell
 one of the numerous incendiary bombs dropped by the
 Japanese in an effort to burn the city, but although
 flames burst from it fortunately little damage was done,
 the bomb having landed in the court yard. Two British
 members of the staff took refuge in the basement. The
 British Ambassador has ordered the Diplomatic Mission and
 Consulate General to remove to the south bank until a
 dependable shelter can be built on the premises that were
 bombed. (End Section One)

793.94/14966

PECK

PEG

F/A

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

TELEGRAM RECEIVED

5587

MA
 This telegram must be
 closely paraphrased before
 being communicated to
 anyone. (Br)

FROM Chungking via N.R.
 Dated May 6, 11 a.m.
 Rec'd 7:00 a.m.

Secretary of State
 Washington

313, May 6, 11 a.m. (SECTION TWO)

I understand the Ambassador has asked his Government to lodge a strong protest with the Japanese Government on the ground of humanity against the type of bombing that occurred on the 3rd and 4th but dealt very lightly with risk and damage incurred by his Mission. The American Assistant Military Attaché yesterday again made diligent search for evidence of damage inflicted on military objectives but could learn of none except the destruction of one insignificant building in one of the military organs. However, he thinks the whole city on the north bank will be uninhabitable unless the Chinese strengthen their defense. In this connection there is again a report that a unit of Russian planes and fliers has come to Chungking.

All banks have temporarily suspended dealings with the public.

Repeated to Peiping, Shanghai. (END OF MESSAGE)

PECK

DDM

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

15588

Confidential

CONFIDENTIAL

PARAPHRASE

A telegram (no. 313) of May 6, 1939, from the American Embassy at Chungking reads substantially as follows:

Dealings with the public have been suspended by all banks temporarily.

Although on May 5 the American Assistant Military Attaché again searched assiduously for signs of damage inflicted on military objectives by the recent bombings, he found no such evidence except that in one of the military organs one unimportant building was destroyed. The Assistant Military Attaché is of the opinion, however, that unless the Chinese strengthen their defense all of the city on the north bank of the river will be uninhabitable. It is reported again, in connection with Chinese defense, that there has arrived in Chungking a unit of Russian fliers and airplanes.

A bomb fell on the servants' quarters of the British Consulate General during the aerial attack on May 4. These quarters are occupied now by the Diplomatic Mission also. Two British members of the staff fled to the basement for safety. Eleven Chinese were wounded and six were killed. One of the many incendiary bombs which the Japanese dropped in trying to burn the city fell in another part of the above mentioned British premises. The bomb landed in the courtyard and fortunately did little injury although flames burst

793.94/14966.

0187

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

-2-

burst from it. Orders have been given by the British Ambassador that, until a dependable shelter can be built on the bombed premises, the Consulate General and the Diplomatic Mission move to the south bank of the river. It is understood that the British Ambassador has asked that his Government protest to the Japanese strongly against the kind of bombing that took place on May 3 and 4, dealing very lightly with the damage and risk to which the Mission was subjected and basing the protest on the ground of humanity.

793.94/14966

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FE:EGC:HJN
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 Department of State letter, August 10, 1972
 By Milton D. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

NC

GRAY

FROM MANKOW VIA N. R.

Dated May 6, 1939

Rec'd 7:20 p.m.

Secretary of State

Washington

102, May 6, 1 p.m.

The following information is well known to both the Japanese and Chinese military authorities.

Chinese forces operating on the Han River sector, Peiping--Hankow and Canton--Hankow railways continue press the Japanese troops in these areas. Japanese losses may perhaps be gauged by reliable reports from diverse sources of several thousand wounded being transported down river from Hankow during the past week.

Chinese air-craft have been active north and west of Hankow. The Peiping-Hankow railway has been attacked between Kwangshui and Sinyang. Units of the Chinese 128th and 185th divisions are 20 miles from Hanyang. The Canton Hankow railway has been attacked at Tingszekiao, Sianning and Tsaoichiao. Service on both lines is said to be curtailed. Liu Kwei Tang with 10,000 of his mercenaries is reported to have arrived at Wuchang May 3rd from which place they were hurriedly despatched south by their Japanese employers.

Military

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Division of
 FAR EASTERN AFFAIRS
 MAY 8 - 1939
 Department of State

793.94/14967

F/FG

0185

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

NC #2- #102 from Hankow, May 6, 1939

Military supplies continue to arrive here but in
somewhat reduced volume.

Repeated to Chungking, Peiping, Shanghai,

JARVIS

KLP

019

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

NC

PLAIN
FROM
SWATOW VIA N. R.

Dated May 6, 1939

Rec'd 8 a.m. 7th

Secretary of State
Washington

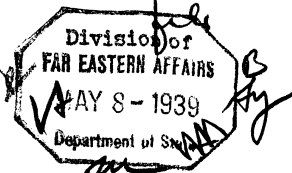
10, May 6, 5 p.m.

During three air raids today Japanese planes dropped thirty eight bombs on various parts of Swatow. Casualties not yet ascertained. No American property damaged during raids of past three days. Repeated to Chungking, Peiping.

YOUNG

KLP

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



793.94/14968

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

DOCUMENT FILE

NOTE

SEE 893.00 PR Shanghai /126 FOR #2108

FROM Shanghai (Gauss) DATED April 6, 1939
TO NAME 1-1127 ***

REGARDING: Relations between China and Japan for the month of
March, 1939.

793.94/14969

14969

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 Department of State letter, August 10, 1972
 By Milton C. Gustafson NARS, Date 12-18-75

3. Japan.

a. Japanese Military Operations.

793.94
 (1) Northern Kiangsu. On March 1st the Japanese commenced military and naval operations in northern Kiangsu, an area which they had hitherto practically ignored. In connection with these operations the Japanese notified the foreign consular representatives at Shanghai first of the commencement of operations off the mouth of the Cheyang River and, secondly, of operations along the Hsuechow-Haichow section of the Lunghai railway; the usual request was made that Third Power nationals remove to places of safety and that Third Power property be clearly marked.

A Japanese column, operating from the Tientsin-Pukow Railway, south of Hsuechow, advanced on and occupied the cities of Hsaiyin and Hsian on March 3. Another column is reported to have advanced east from Hsuechow and in conjunction with a Japanese column advancing from southeastern Shantung, converged on Haichow and captured that city on March 4. In the attack on Haichow Japanese land forces were assisted by Japanese naval units who also effected the occupation of the town of Fowning on the Cheyang River. The Japanese claimed to have "mopped up" some sixty thousand Chinese troops consisting of regulars and guerillas in northern Kiangsu. However, information
received

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

- 9 -

received from fairly reliable Chinese sources indicated that there were very few regular troops in this area and that the Japanese met with very little opposition because of existing friction between the principal representatives of the National Government in northern Kiangsu, namely General Han Te-ch'ing, Acting Chairman of the Province, and General Yu Hsueh-chung, commanding the regular troops in that area. The Japanese continued "mopping up" operations throughout the month, but it was not clear whether they intended to push further south in the Province and occupy Taichow, an important city on the Grand Canal, or whether having gained control of the important salt fields in northern Kiangsu, they would ignore Taichow and other adjacent districts still under Chinese control.

(2) Chekiang. Japanese naval operations along the coast of Chekiang, including the bombardment of Chinese positions at Haimen and the forts guarding the approach to the city of Ningpo, again gave rise to the report that the Japanese intended to launch a large scale attack upon the southern half of the Province of Chekiang. The report that Japanese troops had effected a crossing of the Chientang River to the south of Hangchow appeared to support this supposition. However, nothing further was heard concerning this operation and it was not clear whether Japanese troops were repulsed with heavy losses as is claimed by the Chinese, or whether they were withdrawn after effecting a partial crossing. In any event, it appears that these operations, including the bombing of Weichow and several other towns in southern Chekiang, immobilized Chinese troops in southern Chekiang while the main Japanese attack on Hanchang in Kiangsi was being developed.

b. Shanghai

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

- 10 -

b. Shanghai Office of Asia Development Board

Established. The Shanghai Bureau of the Asia Development Board was established during the month under the direction of Vice Admiral S. Tada. In a press interview Admiral Tada stated that the real work of the office would begin after he had received instructions at the conference of the various bureau chiefs to be convened in Tokyo late in March. It is understood that the Shanghai Bureau will comprise political, economic and cultural sections.

According to the Japanese press, the first named section will maintain contact with the "Reformed Government" and will engage in information and propaganda work; the second will maintain liaison with the Central China Development Company and will exercise jurisdiction over inland water navigation, the fisheries and salt industries, harbor works and shipbuilding, communications, electric and gas works, postal administration, agriculture, forestry, the mining industry and currency and taxation.* The effect of the establishment of this bureau, to which much power and authority appear to have been delegated, upon the rights and interests of foreign nationals cannot be gauged at this time.

0195
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE
ADVISER ON POLITICAL RELATIONS

May 4, 1939.

FE.
Mr. Ballantine:

It seems to me that there
is much that is of interest and
that might to advantage be care-
fully studied, especially points
which I have marked, in Mr.
Kazuhumi Turuoka's memorandum.

nat
Stanley K. Hornbeck

PA/H:SKH:ZMK

KAZUHUMI TURUOKA

Proprietor
Tiba Food Products Co.
TIBA, JAPAN.

Representative of
The Canned Foods Ass'n of Japan
TOKYO, JAPAN.

*Introducing Mr. K.
Turuoka to Mr.*

MR. WILLIAM CULLEN DENNIS

*Stanley K. Hornbeck.
Mr. Dennis has
(over)*

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

DEPARTMENT OF STATE
ADVISER ON POLITICAL RELATIONS

May 4, 1939.

FE.
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which I have marked, in Mr.
Kazuhumi Turuoka's memorandum.

nat
Stanley K. Hornbeck

PA/H:SKH:ZMK

*Written Mr. Hornbeck
of Mr. Turuoka.*

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

DEPARTMENT OF STATE

Memorandum of Conversation

RECEIVED

DEPT. OF STATE

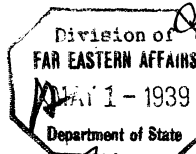
1939 MAR 5 AM 10:34 DATE: April 27, 1939.

SUBJECT: Plans of Japanese Pacifists for Bringing about
 Termination of the Sino-Japanese Conflict

PARTICIPANTS: Mr. Kazuhumi Turuoka, Representative of the Canned
 Foods Association of Japan, Tokyo, Japan

Mr. Ballantine.

COPIES TO:



Mr. Turuoka called by appointment. He professed an inability to speak English. He mentioned various mutual acquaintances among Americans in Japan, all of whom are professed pacifists, and he stated that he himself was a pacifist. He said that he was a conscientious objector against the Japanese invasion of China and against the outrages which the Japanese forces have committed in that country. His real purpose in coming to the United States was to consult with American friends on the subject of means of stopping the conflict in China, although his ostensible purpose was to act as representative of the Canned Foods Association of Japan at the San Francisco and New York World's Fairs. He said that he would like

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

-2-

to discuss with Mr. Ballantine a memorandum which he had prepared with the help of Miss Olive Williams, a former American teacher in Japan. The memorandum which is attached hereto discusses the causes of the conflict with China, the reasoning of the Japanese military, the situation in Japan today, opinions of the Japanese intelligentsia and his plan of action for bringing about peace in the Orient.

Mr. Ballantine said that he could not comment upon the memorandum without further study. He said that in common with all other Americans he sympathized with Mr. Turuoka's desire for the restoration of peace in the Far East and that Americans felt that their interests would best be served by the prosperity of both the Chinese and the Japanese peoples. Mr. Turuoka said in reply to a question that the application by the United States of economic pressure against Japan such as he advocated would not be likely to stiffen Japanese determination to carry on the conflict. He felt that there were a great many people in Japan who shared his views but who were unable to make their voices heard and that if the strength of the military were further weakened the opponents in Japan of the Japanese Government's present policy would have opportunity to assert themselves.

Mr.

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

-3-

Mr. Ballantine then asked with regard to Mr. Turuoka's suggestion that a conference of the Nine Power Treaty nations be summoned whether Japan would be any more likely to accept the invitation now than in 1937. Mr. Turuoka replied that perhaps not at the present time but he believed that Japan would be so weakened by 1940 that the Government might then accept such an invitation.

Mr. Turuoka said that he would be in Washington for about a month and would like to get in touch with Mr. Ballantine again after Mr. Ballantine had an opportunity to study the memorandum.

m. m. d.

JPS
FE:Ballantine:JPS

Suggestions for the Solution of the Sino-Japanese Conflict.

The war between China and Japan is a sad affair for humanity. Of course, in the first place, the aggression ^{of Japan} should be blamed. And peace must be made by the decision or initiative of Japan, for China is always ready. But I wish to bring out some less obvious facts, which help to explain the cause and conduct of the Oriental conflict, and to anticipate the steps to peace. I write this statement dispassionately, just as a human being, and not as a Japanese.

A. Causes of this Quarrel.

1. There are some continentalists in Japan. They wish always to get more territory on the Asiatic continent. Their propaganda is unceasing.
2. The reduction of the ^{army} took place in Japan about 15 years ago. Since then the retired officers have been watching for any chance to regain their lost power. Inevitably they grasped at the Manchurian conflict as their opportunity.
3. Then, a few years ago, came the business depression in Japan. Farmer soldiers appealed to young army officers for relief. These young officers decided that an Imperealistic national course would raise the low standard of living of the farmers. This was one cause of the aggression in China.
4. Then came the Ottawa Conference, where the economic bloc between the dependencies of Great Britain was decided upon. This decision gave a serious impetus to the Japanese continentalists to form a similar economic bloc in Asia. So they made an attack on China instead of consulting the diplomats.
5. Japanese continentalists feared that China would grow into a modern state, and thought best to attack before this happened. They gave as a pretext for this aggression the anti-Japanese trend of education in China. Then the Manchurian event occurred. But the Japanese military could not control well there. They thought that Manchuria was threatened by the power of North China. So then they went to North China. From North China they continued to Central China. From Central China they progressed to South China. Thus the conflict grew, at length developing into this great war.

B. Former and Present Reasoning of the Japanese Military.

The Japanese army didn't expect to develop so wide an attack in this war. They thought it would be enough to take Pao-Pin of Hei-Ping Province in North China, and Soo-Chow in Central China, in order to force the Chinese army to surrender. But the contrary happened. and to-day the Japanese army is beginning to consider how the situation can be saved. They are aware of the scarcity of many necessities for daily life in Japan, and also of unfilled needs for the army. The failures of this war will invite the feeling of instability throughout the national life. The army is beginning to fear the growing anti-army sentiment of the people. Besides, it is acknowledging that it cannot conquer absolutely as vast a territory as China. But it cannot yet throw away its pride. So this war will be long, lasting until the time when the Japanese military is forced to suffer more itself.

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

(2) 5

C. Situation of Japan To-day and Opinion of the Intelligentsia.

If you examine the actual material condition of the Japanese Government, you will find the facts outlined below:-

In the controlled trade of Japan for 1939, the expected imports amount to \$3,000,000,000, and the expected exports to \$2,100,000,000. The discrepancy between the two figures represents the amount needed for the material necessities of the nation, and shows the rapid falling off of expenditures for needs for daily living. This economic instability is one of the key points in the solution of this war.

The Intelligentsia of Japan know well the true sense of the above statistics, which they realize have little meaning. They wish to stop this war soon. But they have no way to do so. They have no capital to help make a new party. Both the old political parties of Japan are already decayed. The Intelligentsia are only waiting for a new political power to rise and do their will.

D. Relation between European Peace and Oriental Peace.

For the purpose of pressing Italy and Germany down. The United States of America, Great Britain, The Soviet Union and France must make one group. To insure the successful operation of this group, peace in the Orient must be made early, I believe.

E. The Key to Oriental Peace.

This is the inner reconstruction of Japan. China will always come to a peace conference if the conditions are reasonable. The next problem is how to bring Japan to a decision to make peace. For that it is necessary to change the mind of the Japanese army. So, as I have said, we need a new domestic power that must control the domineering will of the Japanese army.

F. Steps toward Solution of Conflict between China and Japan.
 a. Preparatory Steps.

1. Propaganda to the Japanese soldiers in the field, exposing this meaningless war and the bad condition of the country.
2. Economic pressure against Japan. The United States could make the Japanese military acknowledge the difficulties of acquiring war materials. It could put pressure on exchange rates of Japanese money: it could cheapen the yen by the use of the 500,000,000 yen now in its hands (now on deposit in U. S. A.); if this sum is sold in the market the yen will surely become cheaper, which may endanger some money, but little compared to the fund needed for a war between Japan and America.
3. Acquiring control of Japanese money. The U. S. can export American goods to Shanghai, sell them in Japanese money, and the Export & Import Bank can buy them in Japanese money. (American business in Japan is not very profitable now: for instance, the factories of Ford or General Motors in Japdn, Yun Shan Gold Mining Co. in Korea, Singer Sewing Machine Co. in Japan, etc.)
4. Combatting the Japanese controlled selling policy in U. S. A. A controlled economy having been established, it is now maintained by exporting all important Japanese goods exclusively

* These factories may be sold so as to acquire Japanese money.

(3)

through the agencies of Mitsui and Mitsubishi, largest merchants in Japan. So no American should buy anything through their hands. If Americans wish to buy anything from Japan, their merchants should buy from American merchants in Shanghai. In this way they can buy more cheaply than from the Mitsui & Mitsubishi Cos., and can break up the plans of the Japanese military.

5. Organizing a great new group of Japanese people.

This is the most effective way to exert pressure on the military. Only such a group can win out against their entrenched power. This new group is now growing step by step. Mr. Ozaki will be the head of it and eventually this group will develop into the new political party.

6. Helping to expand an important new growth in Japan.

This consists in the small club-like groups for the maintenance and defence of the members' social, cultural and personal well-being. They should become large and numerous. They constitute a new phenomenon.

b. Final Steps.

1. Summoning a conference of the Nine Power Treaty.

Now there is no direct intercourse between Japan & China. So the United States or Japan takes the initiative of this conference and offers an opportunity to decide on peace terms.

2. Formulation of peace conference conditions.

- I Retirement of Japanese field and military machines.
- II Prohibition of anti-Japanese education in China.
- III Recognition of various new privileges for Japanese Companies in Northern China and Shanghai.
- IV Recognition of Manchu Ko, on condition of Manchurian plebiscite.
- V Establishment of an Inner Mongolian self-authorized state, under Chinese suzerainty, with permission to Japanese to maintain a garrison.
- VI Mutual recognition of universal right to reside and do business in each land.

3. In case of successful termination of this peace conference; Abrogate the Nine Power Treaty, and evolve it into a Pacific Peace League of 12 countries, -those whose shores are washed by the Pacific Ocean, namely, U. S.A., Japan, China, Manchuko, Soviet Union, Great Britain, France, Philippines, Siam, Netherlands, Portugal, Mexico.

The new Pacific League should promise as follows:

- I Mutual Recognition of the Open Door and equality of opportunity,
- II Mutually profitable agreements for trade and economic resources,
- III Conclusion of mutual anti-aggression treaty.

0203

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

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TELEGRAM SENT

15569

TO BE TRANSMITTED
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NAVAL RADIO

Department of State

Washington,

1939 MAY 6 PM 2 47

May 6, 1939.

793.94
393.115
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125.931

AMERICAN CONSUL,

DIVISION OF
COMMUNICATIONS

SHANGHAI (CHINA). AND AMEMBASSY

INFO: AMEMBASSY, CHUNGKING (CHINA).

AMEMBASSY, PEIPING (CHINA).

A United Press despatch bearing Shanghai date line

of May 5 reads in part as follows:

QUOTE A Japanese spokesman indicated today that hereafter Japan would not repeat not assume responsibility for the bombing of foreign properties, including consular buildings, in areas of China unoccupied by Japanese troops.

The spokesman said that Japanese pilots have been authorized to bomb any area in which there are Chinese defenses, regardless of the proximity of foreign property. He said foreigners should see that the Chinese keep their defenses a safe distance from their property UNQUOTE.

In view of the statements of the Japanese Consul General in his letter mentioned in your telegram of May 5, 4 p.m., to Chungking, the Department doubts whether the above report is ~~accurate~~, if it is, whether the Japanese spokesman made statements which represent ~~accurately~~ the official Japanese position. The Department desires that you make inquiries in regard to the reported announcement

Enciphered by _____

Sent by operator _____ M., _____, 19 _____

D. C. R.—No. 50

1-1462 U. S. GOVERNMENT PRINTING OFFICE

793.94/14970A

F/FG

0204

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

5570

PREPARING OFFICE
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TELEGRAM SENT

Department of State

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CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
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Washington,

-2-

by the spokesman and report promptly by naval radio on
the result of your inquiries in order that the Depart-
ment may be in position to give consideration to bring-
ing the matter to the attention of the Japanese
Government.

Please mail copy to Tokyo by air mail.

Repeated to Chungking and Peiping.

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PA/H

SKA

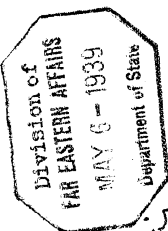
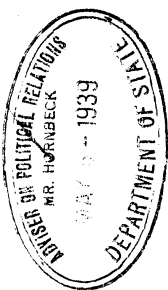
Enciphered by _____

Sent by operator _____ M., _____, 19____

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

*Pa-H
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15571



*Tel to
Shanghai*

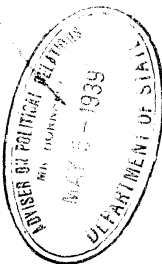
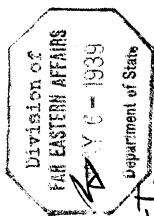
SHANGHAI. -- A JAPANESE SPOKESMAN INDICATED TODAY THAT HEREAFTER JAPAN WOULD NOT ASSUME RESPONSIBILITY FOR THE BOMBING OF FOREIGN PROPERTIES, INCLUDING CONSULAR BUILDINGS, IN AREAS OF CHINA OCCUPIED BY JAPANESE TROOPS.
 5/52-PSA

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0206

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

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 JL



Tel. to
 Shanghai

ADD SPOKESMAN, SHANGHAI
 THE SPOKESMAN SAID THAT JAPANESE PILOTS HAVE BEEN AUTHORIZED TO
 SOLE ANY AREA IN WHICH THERE ARE CHINESE DEFENSES, REGARDLESS OF THE
 PROXIMITY OF FOREIGN PROPERTY. HE SAID FOREIGNERS SHOULD SEE THAT THE
 CHINESE KEEP THEIR DEFENSES A SAFE DISTANCE FROM THEIR PROPERTY.
 HE DESCRIBED THE BOMBING OF CHUNGKING AS "RECREABLE" BUT SAID
 JAPANESE PILOTS HAD SIGHTED ANTI-AIRCRAFT GUNS NEARBY AND HAD ATTACKED
 IN "SELF DEFENSE."
 1075--R538A

0207
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

15572

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 8, 1939.

Shanghai's 361, May 8, 9 a.m.

It would appear from this telegram that there has been no official Japanese statement made in Shanghai within the last few days which would supply reasonable basis for the U.P. despatch quoted in the Department's 151 to Shanghai. The Japanese "advice" to foreign powers to prevent the Chinese from locating military establishments near foreign property is a matter in regard to which we have several times placed ourselves on record. (Department's 210, June 24, 1938, 7 p.m. to Tokyo). It is therefore suggested that no action be taken on the telegram under reference.

FE:Penfield

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

TELEGRAM RECEIVED

GRAY

Shanghai via N. P.

FROM Dated May 8, 1939

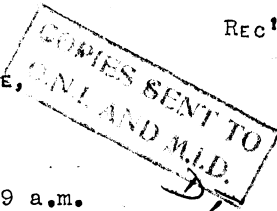
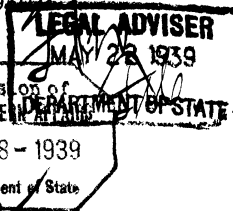
Rec'd 5 a.m.

Secretary of State,
Washington.

361, May 8, 9 a.m.

Reference Department's telegram No. 151, May 6, 3 p.m.

I have consulted United Press and other correspondents
and also examined local postscripts of the Press ^{Conference of} ~~Bureau~~
May 5th. The Japanese naval spokesman, Commander Mitunobu,
answering questions, appears to have said that Japanese
presumably have instructions not to inflict unnecessary
damage on foreign property but that when fired upon by
Chinese batteries they must defend themselves, that if any
foreign property was hit it is regrettable but unavoidable,
that foreign authorities should see that Chinese defenses
are kept away from foreign property, and when questioned
what the Japanese would do in any future air raids he
stated that if it is asserted that Japanese planes should
not defend themselves it is tantamount to saying to the
crews that they are to go up and be shot down without
returning fire. A Domei News Agency report dated Tokyo,
May 6, printed here on 7th, says "third power authorities
were advised today by Rear Admiral Kanazawa, spokesman of
the



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0205

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

15574

FS 2-No. 361, May 8, 9 a.m. from Shanghai

the Naval Section of the Imperial General Headquarters,
to prevent the Chinese from locating military establish-
ments near foreign Consulate or other foreign property
so that the latter might not suffer damage in air raids."

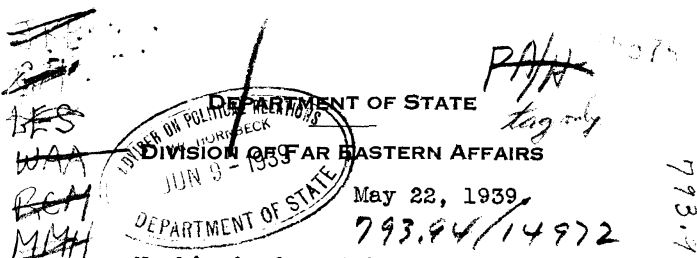
Repeated to Chungking and Peiping. B air mail to
Tokyo.

WWC:DDM

GAUSS

0210

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



Nanking's despatch no. 19 of April 24 contains a studied and original discussion of the present military situation in China presented in the form of a criticism of the views expressed in an editorial on the same subject which appeared in Le Journal de Shanghai, copies of which, in the original French and in English translation, are enclosed in the despatch. The editorial is of relatively slight value, but Mr. Clubb's comments on it will well repay careful perusal.

Premising his remarks on the pointed observation that the pictures (of the Chinese chances of success) presented by persons sympathetic to China are sometimes distorted by failure to include those elements which favor Japan, Mr. Clubb proceeds to review certain of what he regards to be obvious facts: i.e., that Japan has gained complete control of the chief industrial centers and main routes of communication in China and of a land area containing over one-fourth of China's population; that the recognized Government of China, which has been driven into western China -- where, he states, it is barred from access to most of the national resources and can maintain only tenuous contact with a large portion of the Chinese people --, stands in danger of "withering away" without third-party help; and that Japanese military staff-work and strategy has throughout been, in the opinion of experts,

almost

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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. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

- 2 -

almost flawless, while that of the Chinese has been crippled by ignorance and ineptitude, examples of the latter being their consistent failure to guard their flanks and their failure to follow up the victory at T'aierhchuang. He goes on to state that "... a war is never won by resistance alone, especially where it is a form of resistance which leaves all tactical advantage in the hands of the enemy"; that guerrilla tactics will fail unless the mobile units are superior to the enemy in (1) fire-power at the point of concentration, (2) mobility, (3) military intelligence, and (4) coordination, whereas the Japanese are actually superior in all these things; and that China has not in fact been capable of really united resistance because her "national economic and political life was not sufficiently developed and integrated to permit unified action". "Japan", he says, "is in effective military control of a portion of China larger than Germany and more populous, and the Chinese arms are in no position to challenge that control".

Of especial interest is his conclusion that, barring aid to China from a third power or a (Communist?) revolution in Asia, the nationalist elements in China, which are now able to restrain the elements favoring cessation of warfare, will come under Japanese domination, (thus, it is to be presumed, bringing the hostilities to an issue favorable to Japan).

In

0212

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

- 3 -

In commenting on the striking and thought-provoking picture which this despatch gives of the present situation in China, it perhaps should be noted that although the criticism of Chinese strategy which it contains would appear to be sound in detail, the broad basis of General Chiang's plan of campaign, i.e., to draw the Japanese forces into the interior of China, avoiding decisive frontal conflict, lengthening the Japanese lines, and bringing their forces to a virtual stalemate, has so far been successful in preserving the Chinese National Government and preventing a clear-cut Japanese victory. And in connection with the statements contained in the despatch under reference on the subject of guerrilla warfare, it may be adjoined that the strength of the guerrillas lies in their loose organization, their widespread dispersal, and the circumstance that they operate on a basis of mass resistance; these things make each guerrilla member, even if he has only a crude pistol, and shoots from out a wheatfield at a passing train, an effective enemy of Japanese domination. The despatch states that the Japanese are proceeding against this menace as the Chinese Government itself once proceeded against "Communism": but can the Chinese Government's drive against "Communism" be regarded as successful when it ended with the kidnapping of the head of the Chinese Government?

If

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

- 4 -

If China's military prospects are perhaps better than the author of the despatch under reference regards them as being, they are so because it is in the nature of aggressive action (such as that of the Japanese military in China) that it must be sustained, and it is always true that the force necessary for its sustenance tends to dissipate itself. While it may be that "war is never won by resistance alone", resistance in sufficient strength could certainly prevent the antagonist from winning.

With these desiderata noted it remains to be said that the central contention of the despatch, i.e., that barring third-power aid or an unlikely revolt in Asia, Japan may in the end be able to force China to come to terms, is undoubtedly valid, and that that fact is of vital importance to ourselves.

FE:Ward:REK

0212

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 19.

Nanking, China, April 4, 1939.

SUBJECT: Military Situation in China.

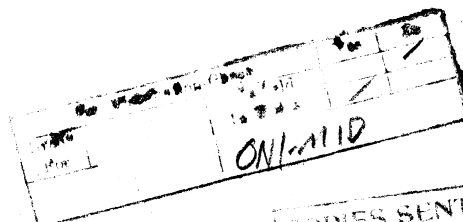
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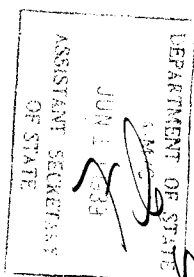
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AND RECORDS



COPIES SENT TO
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in conf. cover



793.94/14972

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to the Embassy's des-
patch No. 1813 of December 6, 1938, from Peiping, in
regard to the political situation in China, and to en-
close

F/FG

14972

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

-2-

- 1/ enclose as of possible interest to the Department a copy, in the original French and in English translation, of an editorial (with map attached) printed in LE JOURNAL DE SHANGHAI of February 26, 1939 on the subject of "The Military Situation in China".

SUMMARY:

The editorial writer observes that the Japanese subsequent to the capture of Hankow in October 1938 devoted their major attention to work along political lines, the while their armed forces consolidated and strengthened the positions they had gained; renewed military action seems now to be promised by current developments, but the task of conquest promises increased difficulties ahead. It is felt that the commentator's observations perhaps err in an overly optimistic appreciation of the strength of the Chinese forces. In fact Japan has gained control over the country's chief industrial centers, the main lines of communication, and of a land area containing a large population, and controls as well pertinent administrative activities. The National Government has on the other hand been driven into West China, where it has only limited access to such war potential as the country originally possessed, and it cannot maintain its present position there as a major factor without third-party help. The outstanding military event subsequent to the fall of Hankow has been the capture by the Japanese of Nanchang on March 27, this success bringing them closer to China's important resources of tungsten, antimony and wood-oil, as well as cutting the National Government's

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

-3-

Government's last east-west line of rail communication. China's failures in the present struggle, as compared to Japan's successes, may be attributed to 1) faults of the Chinese high command, 2) superior Japanese material (French strategists in regard to the effectiveness of troops are reported to have given the coefficient 1 to numerical strength and the coefficient 6 to war material), and 3) lack of unified Chinese political consciousness. The Chinese have endeavored to overcome their deficiencies through following the concept of a "war of attrition", implemented in large part by guerrilla actions. Guerrilla tactics nevertheless fail unless the mobile units are superior to the enemy in fire-power at the point of concentration, mobility, military intelligence and coordination, but superiority in regard to those factors is in fact possessed by the Japanese themselves. The work of the Chinese political organizers to build up defense units within the occupied areas for the military and economic harassment of the Japanese forces can bear fruit only while Japanese attentions are turned elsewhere; however, the initiative has from the beginning resided with the Japanese, and they are at present proceeding along lines which bear similarities to their own action in Manchuria and to previous Chinese action in the anti-Communist campaigns. The National Government retains its army-in-being, but is physically incapable in the present circumstances of successfully undertaking major engagements against the Japanese Army in the field. It is moreover crippled by the personal selfishness of certain elements

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

-4-

elements in the Government itself - a selfishness which is only partly counter-acted by the Chinese forces of nationalism and reform. The Japanese therefore stand to gain their major military and political objectives in China, barring the intervention of new factors unfavorable to Japan; but it is to be expected that the economic and social consequences of the struggle will cause grave difficulties to arise on the continent of Asia in the years immediately ahead.

END OF SUMMARY.

The editorial writer observes that major military action by the Japanese has been suspended since October 1938, the intervening time having been devoted to political action designed to gain for the Japanese their desired ends. That political action reached its culminating stage with the demarche by Wang Ching-wei and the subsequent resignation of Premier Prince Konoye; the political maneuvers failed to achieve their objective. It may be foreseen, the writer says, that the Japanese military, who had been occupying themselves with the work of consolidation and strengthening of military positions gained in China, are now to be called upon to make a new effort; that effort will more probably be on the northern than on the southern front, and if the probability becomes actuality it would show that the clique of the Army group has won out over the arguments of the Navy proponents, who would expand southward. The writer then goes on to a consideration of the military situation on the several fronts, and gives emphasis to the following point (*italics*)

in

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

-5-

in the original):

"On all fronts, only the ways of communication and important centers are held in a permanent manner and it is not to be considered a question of a continuous front."

Moreover, the writer observes in conclusion, the four months which Japan has devoted primarily to politics have been employed by General Chiang Kai-shek for the reorganization of the Chinese Army and the nation, and for renewal of material; therefore, "If the morale of the Chinese is maintained, the real conquest of the occupied country promises to be more and more difficult".

The sentiment expressed by the editorial writer, suggesting that Japan's military problem, as well as the political and economic problems, is of extraordinary difficulty, is discovered in many quarters. The Reverend George Shepherd, spiritual adviser to General and Mme. Chiang Kai-shek, was quoted as stating in London on March 6 that the Sino-Japanese warfare would continue for another three years and end in a final victory for China. He explained:*

'The Chinese have 2,500,000 guerilla troops besides her (sic) regulars. Japan has taken the coastal ports and Hankow, but these places are completely surrounded by Chinese guerillas and no trade is possible. Japan can exert no form of government outside the immediate areas which she occupies.'

Rodney Gilbert, if somewhat less optimistic in his conclusions, in a recent consideration of the subject nevertheless felt that China might be able to break Japan in a war of attrition. After reviewing the military situation, and with special reference to the part played by the

*NORTH CHINA DAILY NEWS, March 8, 1939.

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

-6-

the Chinese guerrilla forces, Mr. Gilbert said:*

"....the war is not over, although it is not likely to be punctuated again by such great protracted positional struggles as the Japanese campaigns against Shanghai, Suchow /Hsuehchow/ and Hankow. Japan has not won; and whether she does eventually win now depends little upon the driving power of her military machine, but rather upon the survival of the fighting spirit among the Chinese people on the one hand, and upon the economic staying power of the Japanese nation on the other. The Chinese people have only to remain 'non-cooperative' - at which they are masters - and to keep a few millions of their armed men engaged in active sabotage, thereby tying up at least half a million Japanese soldiery. If they can do this, they can impose an economic strain on Japan which in a few years will lower her vitality to the breaking point; a resurgence of active rebellion might then result in as complete an evacuation of China as that of the Mongols at the end of their conquering career."

The pictures presented by Rev. Shepherd and others who sympathize with the Chinese people are sometimes distorted by failure to include those elements which favor Japan. Certain fundamental facts pertinent to the subject must be recognized. Japan has gained physical control of the chief industrial centers and the main routes of communication in China, and of a land area containing over one-quarter of China's total population. There have been set up for the purpose of exercising political control over the conquered areas two Governments, in Peiping and in Nanking, and in the names of those Governments there are being taken certain actions affecting foreign and domestic trade, finance and taxation, agricultural and industrial production, communications and transport, public order, and the movement and residence of natives and foreigners. The recognized National Government has
 been

*Gilbert, Rodney, "The War in China Continues", FOREIGN AFFAIRS, January 1939, pp. 321-35.

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

-7-

been driven into the mountainous western area of China where, barred from access to most of the national resources and even denied contact with a large portion of the Chinese people except through the tenuous means of communication offered by the Chinese guerrillas, without third-party help it stands in danger of withering away.

This situation has taken on crystallized form with the fall of Hankow on October 26, 1938. It will be recalled that the Chinese Communist Party had argued that Hankow should be defended to the last and made into "a second Madrid", with the launching of counter-offensives against the Japanese positions in other parts of China. If General Chiang Kai-shek ever decided finally to adhere to that strategy his decision never came to full fruition, for after a Japanese campaign which the American Naval Attache considered to have been characterized by outstanding staff work, with excellent organization and coordination as well as accuracy of tactical and strategic calculations, the Chinese defense collapsed in what the aforementioned observer termed "the general debacle on the Yangtze". Cmdr. Overesch reached the following judgment in regard to the significance of the event:*

"Despite Chinese efforts to minimize the seriousness of the loss of Hankow, there can be no doubt that the loss of the Wuhan area practically 'breaks the back' of China. Almost all important interior routes of communication met at Hankow. With that nerve center now in Japanese hands it will be exceedingly difficult to maintain effective contact between the remaining parts of China; and it is not easy to see how

the

*Naval Attache's report, November 8, 1938, pp. 22-4.

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

-8-

the mountainous areas that comprise those parts will long support a Chinese Army of any size. Barring foreign aid, it appears that the Chinese will be very hard pressed to maintain even an 'army-in-being' in the areas that remain under Central Government control."

The editor of LE JOURNAL DE SHANGHAI has described in brief the characteristics of the lull in the fighting which followed the fall of Hankow. In his concluding paragraph he intimated that China had used the intervening period in order to prepare for a renewal of the struggle, and in fact a DOMEI report purporting to have come originally from high military officials at Chungking stated last December that the Chinese Army had received arms for modern full equipped mechanized divisions which were to be thrown into the field in the spring of 1939 in a large-scale counter-offensive.* The editorial writer evidently did not envisage an attack by the Chinese - except as such attack might be made in sporadic form by guerrilla bands - but thought that the next Japanese drive might be toward the North (thus bringing Japan closer to

direct

*JAPAN CHRONICAL, December 8, 1938. A current TRANSOCEAN report under a Tokyo date-line indicates likewise that "General Chiang Kai Shek is planning a large-scale offensive in North China for the immediate future", comprising counter-attacks on the Lunghai front, an offensive into south Shansi, and operations in the Chahar region. (NORTH CHINA DAILY NEWS, April 1, 1939) An American recently arrived from Chungking, where he reputedly had the opportunity of sitting in on discussions of policy in which high China military officials participated, is quoted as reporting likewise that the Chinese leaders propose to carry a large-scale offensive into Japanese-occupied territory before this summer; their foreign advisers, however, are said to be endeavoring to hold the Chinese back from their purpose. It is believed that there is probably nothing the Japanese would welcome more than a major Chinese offensive by the National Government's best-trained troops: it will be recalled that, subsequent to the fall of Hankow, a prominent Japanese military leader invited the National Government to join its best forces in battle with the Japanese for a decision.

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

-9-

direct conflict with the Soviet Union). The next major move proved to be southwards from the Yangtze, resulting in the capture of Nanchang (Kiangsi Province) on March 27 and the consequent severance of China's last east-west line of rail communications and the partial isolation of the guerrilla groups which have for months harrassed the Shanghai sector. It is to be presumed that an attack on Changsha will probably follow, and (unless a political settlement intervenes) that the southward drives may possibly be continued until Canton is reached and the tungsten-, antimony- and woodoil-producing regions of Kiangsi and Hunan are in Japanese hands. There appears little likelihood that Japan any more than Germany will elect to fight the Soviet Union while richer prizes are to be had for the easy taking. Northwest China may prove the battlefield of some major campaign in the not-distant future, but the time is not yet ripe.

It behooves one at this point to compare the Chinese strategy to the Japanese in an effort to discover why the Chinese arms have failed even in defensive action while the Japanese have succeeded even when operating in isolated columns far from their bases. Concrete examples give the clue to the reason for Chinese failure. At the beginning of the struggle, in the Peiping-Tientsin area the 29th Army commanders (acting by orders of the National Government) permitted the Japanese rapidly to increase their forces from 7,000 to about 20,000, and it was commonly stated by Chinese officials and observers that the plan was to wait until the Japanese got their forces in
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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. Gustafson NARS, Date 12-18-75

-10-

and then to strike and annihilate them all. Hoping against hope for peace despite Japan's obvious intention to cut the Gordian knot, however, the Chinese high command waited for Japan to take the initiative. This the Japanese military leaders did, and the 100,000 Chinese troops in Hopei, who had been left scattered over the countryside in disobedience to the primary military principle of concentration of strength, were quickly broken and driven from the northern part of the province.

Next, at Nankow Pass, the Japanese broke down the Chinese defense in its strong position by going around the end of the Chinese line and taking the defenders in the flank and rear. That flanking operation was repeated by the Japanese time and again in the course of the next few months: in Shansi, where Marshal Yen Hsi-shan defended the main pass in the inner Shansi wall but left the side passes weak; in Shantung, where the Japanese went around the Chinese flanks in little motor-boats; at Hsuehow, where the Japanese executed a complete enveloping movement which failed to bring disaster to the Chinese forces only because the Japanese lines through error or inavailability of reserves were made too weak to hold; and at Nanking, where the Chinese had prepared all their defenses on the river side of the city only to have the Japanese attack from the land side. Other battles throw an interesting light on the subject as well. At T'ai-erhchuang, the Chinese inflicted an important defeat on the extended Japanese forces and reputedly

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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. Gustafson NARS, Date 12-18-75

-11-

had an important victory in their grasp, but they failed to carry it through.* There was the same failure to exploit an initial success in the Honan-Shantung border sector, where General Doihara's 14th Division was trapped and then permitted to escape. In the fighting in the Shanghai sector, for what were evidently reasons of prestige the Chinese command permitted the country's best-trained infantrymen to be pounded to pieces in the trenches by superior artillery, with the result that when the belated order for withdrawal was given (due to the break of the Northeastern Army troops in the Hangchow sector) there was lacking both the man-power and organization necessary to defend the strong fortified line lying back out of the reach of the Japanese naval artillery. At Nanking, the tale was more gruesome still, for the Commander-in-Chief (General T'ang Sheng-chih), ordered by General Chiang to defend the death-trap that was Nanking to the last, fled, leaving three divisions without supreme command to be slaughtered in their pell-mell flight. At Matang, a strongly fortified position on the Yangtze with modern artillery, the Chinese unit did not put the batteries into action against the attacking Japanese because the ranking Chinese commander, who had left orders that the battery should not go into action without his orders, was in Kiukiang on his own business.

It is easy to see from the concrete examples in our possession that the fault does not lie with the common soldier in China: the Chinese soldier will stay in the trenches

* "Of all mistakes only one is disgraceful: inaction."
 (Foch)

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

-12-

trenches under conditions which would have caused Occidental troops to give up the task as hopeless,* without adequate artillery support or air defense and reconnaissance, and without much more than the name of an army medical service.** The common soldiers' courage nevertheless can never make up for general ineptitude on the part of the General Staff, and the fact of the matter is that the Japanese military leaders have minutely studied world military history, and the Chinese terrain and the military problems offered by China in particular, and are strictly trained to the task before them; the Chinese officer staff, on the other hand, usually have little if any knowledge of modern warfare and are far from comprehending the lessons of the World War and the Spanish civil war, not to mention the history of the American Civil War and the theories of Clausewitz.***

They

*Cf. the French mutinies of 1917 arising out of General Nivelle's calling on the French troops to perform impossible tasks.

**The Chinese air service has in general limited its activities in the present struggle to what it conceived to be the larger tasks, such as bombing H.I.J.M. IDZUMO and the defending of the seat of the National Government. In regard to the state of the Chinese Army medical service, at a meeting in Hongkong on March 2 the Bishop of Hongkong was reported as relating that in the northwest war zone only 60 percent of the wounded were treated, and of these at least 70 percent did not live for another six months; and Dr. Robert Lim, director of the Chinese Red Cross, said that the Chinese Army did not possess any medical corps of the type of the foreign armies, but each division has its own medical corps on the lines of the German system; "He admitted it was a very bad copy", and reported in regard to guerrilla fighting that "whenever possible" the Chinese wounded were carried back by stretcher after an engagement: "The more serious cases had to be left in the hands of the farmers, and their chances for recovery were very slim indeed. That, however, was the lot of the guerrilla." ("Red Cross Director Tells of Sad Plight of China's Wounded Soldiers", CHINA WEEKLY REVIEW, March 25, 1939, p. 98)

***Speaking at Chatham house in London on January 25,
 Professor

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

-13-

They have been wedded from the beginning of the present struggle to the concept of "long-term resistance" in a "war of attrition", believing that China's very bulk would enable it to outlast a country incomparably more powerful industrially and militarily. Close adherence to that concept, together with the desire of the several Chinese political groups to preserve their relative strengths vis-a-vis each other, has eliminated from the strategy of the Chinese leadership the will to attack; and a war is never won by resistance alone, especially where it is a form of resistance which leaves all tactical advantage in the hands of the enemy. Being at a disadvantage in terms of material and officer corps and discipline, China could only have turned the balance in its favor by making it really a national warfare of aggressive attack on the invaders from all quarters, accompanied perhaps by a drive northward into Chahar and Manchuria (as proposed by Dr. Hu Shih, present Ambassador to Washington, in the spring of 1937 - before the fighting began), for resistance by itself can hardly constitute a legitimate military objective for a would-be victor.

But

Professor Chang Peng-chun explained Chinese military strategy by stating that "our Generalissimo today is making use of the distilled wisdom and strategy of this long series of /Chinese/ scholar-soldiers", comprising Sun Tse (about 400 B.C.), Chu-ko Liang (of China's chivalric period of the Three Kingdoms, third century A.D.), Wang Yang-ming (Ming Dynasty), and a half-dozen "soldier-scholars" of the 19th century headed by Tseng Kuo-fan (who achieved some success against the T'ai-P'ing rebels). ("The Second Phase of China's Struggle", INTERNATIONAL AFFAIRS, March-April 1939, pp. 211-26). It is only just to remark that Professor Chang's explanation is believed to be only partially correct; and that he mentioned the form of guerrilla warfare made famous by Lawrence in Arabia, if without apparent comprehension of its significance in the different environment of China.

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

-14-

But it is Japan that has fought a national warfare in accordance with the totalitarian concept, with the whole national strength bent to the struggle, and not China. The chief reason that Chinese leaders have not called forth the full strength of the people is plain to see: China's national economic and political life was not sufficiently developed and integrated to permit unified action. In addition, some Chinese leaders feared the consequences for themselves and their group if the fires of nationalistic fervor were again to blaze up as they did in the 1924-7 period. Generalissimo Chiang Kai-shek, dominant power in the National Government, is first a political strategist and only second the military leader with the single aim of achieving victory in the field. His field commanders are hampered first by their military ignorance, second by political considerations; and expert staff work is more important than the number of troops. The feud between the reformists and the conservative elements in China is too old to be entirely put aside even where national freedom is at stake. It will be recalled that, after the Sino-Japanese war of 1894-5 (when Japan was much weaker, but China not so remarkably different from what it is today), the reformists endeavored to bring modernity to China to the extent of requiring study of Occidental knowledge instead of the Chinese classics (dating back 2,000 years) as a prerequisite for examinations for the Chinese civil service; moreover, officials were to be required to travel abroad, troops were to be trained along modern lines, communications were to be developed, et cetera. The project failed because of the

resistance

-15-

resistance of Chinese officialdom to anything which would have required sacrifices of position or fortune on their part. Those same conservative forces were instrumental in rendering abortive the movements for change which broke out again in 1911 and 1924; and it is submitted that those forces have sufficed in 1937-9 to restrain the National Government from loosing the full dormant power in the Chinese masses. This circumstance has already been commented upon by American observers. The Consul General at Hankow observed, in regard to the question of whether there could be anticipated a revision of the ruling group's attitude toward the people and a thorough reform of its practice of government, that "The ruling faction is scarcely more likely /now/ to take such a step than did the Manchu court adopt the reform program of K'ang Yu-wei and Liang Ch'i-ch'ao."** The American Military Attache's office was more specific in its charge that selfishness was a ruling element in the National Government's policies, outlining the situation as follows:**

"Captain Dorn reports from Hankow that relations between the Kuomintang and the Chinese Communists are not of the best, and that the Communists feel that they are not receiving the cooperation (undoubtedly meaning money and supplies) from the Chinese Government that they should. The Chinese Blue Shirts, the semi-official, semi-secret organization said to function directly under the direction of Chiang Kai-shek, are reported to be working against the interests of the Communists with the tacit approval of the Generalissimo..."

"Captain Dorn is of the opinion that the inner circle of the Kuomintang has no conception of the meaning of a real united front and is still looking out for its own selfish interests at the expense of other factions, particularly

the

*Hankow's despatch No.563, September 9, 1938.

**Military Attache's report No.9679, August 17, 1938, p. 3; see also his report No.9684, September 14, 1938, p. 1.

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

-16-

the Communists. So far as the sincerity of the Communists is concerned, the opinion of competent observers for some time has been that they are trying to play ball with the Kuomintang in the present crisis. Whether they can do so as the situation in the part of China under Central Government control becomes increasingly difficult remains to be seen. According to Captain Dorn, if the united front is broken, it will be due in no small degree to dirty work on the part of the Blue Shirts and other favorites and hangers-on of Chiang Kai-shek."

Madame Chiang Kai-shek has recently offered as follows a criticism, along more general lines, of present conditions in China:*

"If one task is more outstandingly important than any other in connection with the reform and rehabilitation of our country it must be the eradication of the criminal stagnation that has for so many generations stifled the national development of our economic life and stood upon our horizon like a grim specter of predestined ruin... Ideologies have had little to do with the origin of the perpetuation of this ominous clog upon our national progress. Not only has it, through the long years, prevented our country from attaining the international eminence and prosperity which is rightly ours ... but it now menaces our very existence because we have become almost completely dependent upon outside countries for the supplies which would mean life and death to us did we not have space and time, and flesh and blood, fighting on our side in comradeship with right and justice.

"The causes are deeper, and more profound, than any which can be produced by relatively ephemeral systems. They are, indeed, psychological rather than political. In my opinion they are due to two primary and complementary evil personal qualities - self-seeking and stupidity. These, in combination, unquestionably formed the basis of our industrial backwardness and apparent economic apathy. Out of them arose, in course of time, all manner of iniquities which have kept our country - at least up to the time of the awakening caused by this war - in an undeveloped state, and the masses of our people in poverty."

It is believed improbable that the evils to which Mme.

Chiang

*Mme. Chiang Kai-shek, "Educate the Masses; End Stagnation," CHINA WEEKLY REVIEW, March 25, 1939, pp. 99-101.

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

-17-

Chiang refers can be eliminated at this period of crisis any easier than in 1898: the population is more conscious, but the crisis is more acute.

It would be argued by some observers, as has been indicated above, that the Chinese guerrillas by themselves are able to checkmate some of Japan's ambitious moves on the continent: many of the Chinese who before December 1936* would state that the so-called Chinese "Red Army" was no more than a motley collection of bandits that would scatter before the advance of the Chinese Government troops like straws before the blast now expect those same guerrilla fighters to perform prodigies of valor against the Japanese forces. Such expectation fails to take into consideration several historical facts and present circumstances. 1) The National Government forces in the period 1934-6 were able to eject the Chinese guerrillas from the mountain fastnesses of the latter, by reason of the superior armament of the Government forces, and drive them into Northwest China: the spirit of troops cannot prevail against superior armament.** 2) The National Government is evidently (and not unnaturally) reserving its modern material for its own units instead of turning such equipment over to the several Communist units for use in guerrilla warfare. 3) The Chinese peasant population is more apathetic than otherwise in regard to the outcome of the struggle,

*The date of General Chiang Kai-shek's imprisonment at Sian, marking the "rapprochement" between the Kuomintang and the Chinese Communist Party.

**A fact discovered by General Foch in his efforts to break the German defense, by the repetition of the order "Attaquez".

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

-18-

struggle, desiring primarily to be allowed to cultivate the fields.* 4) An effective guerrilla warfare against the Japanese arms could only be waged in the form of what would really be mobile warfare of regular military units, who would possess vis-a-vis the Japanese forces the advantages of (a) numbers (or concentrated fire-power), (b) mobility, (c) military intelligence, (d) coordination, (e) a base of operations; however, in each instance the Japanese in fact possess the superiority instead of the Chinese. In short, placed in a position where they are forced to depend upon the countryside and upon the enemy for their support and their military supplies, respectively, the guerrillas have in the past proved incapable of combatting modern troops and they must prove incapable of overthrowing the Japanese by their unaided efforts in the future: modern weapons - with the machine-gun and the airplane taking first honors - cannot be opposed by a fire-power which is inferior at the point of concentration.**

The

*The Consul at Tsingtao early observed that guerrilla and bandit activities in Shantung were on the decrease, and he observed (despatch No.370, October 4, 1938): "Japan is engaged in gaining an objective which no guerrillas nor China's stand at Hankow or further west will prevent and which will in no great time result in Japan's domination of railways, mines, electrical industries, and salt works throughout Shantung and North China generally." About the same time, the Consulate General at Shanghai transmitted material giving a picture of the "dumb acquiescence of the Chinese population to Japanese domination" which indicated that the peasant felt primarily the age-old desire to work his fields in peace (despatch No.1416, October 25, 1938). The fundamental desire of the Chinese peasantry to remain apart from major political struggles was manifest in 1894-5 and is manifest today.

**In a recent public appeal, Madam Sun Yat-sen incidentally gave a graphic picture of the state of armament of the Chinese guerrilla fighters. Of them she said: "Not only do

-19-

The Communist leaders and others have contended that one primary task of the guerrilla forces is in fact not military but political, that the chief efforts of the Communist leaders (who are chiefly responsible for the guerrilla activities) are not to be put into a frontal clash with the Japanese Army - that task being left to the regular Chinese forces - but into the political work of 1) awakening the national consciousness of the Chinese people, 2) organizing the people into purely Chinese political and military formations, and 3) preventing by every means the Japanese from obtaining economic benefits from the Japanese military victories, in furtherance of the basic concept of the "war of attrition".* In regard to the position in North China, at the time when the Japanese forces were engaged in the Yangtze Valley campaign, supporters of that concept pointed out that the government of the interior regions of Hopei,

Shantung

do these heroes battle with obsolete rifles, scant ammunition, home-made grenades, scythes, swords, clubs and bare hands against an enemy equipped with all the technical devices of modern warfare; not only do they lack even the most elementary medical supplies, but having abandoned farm and workshop rather than submit to slavery, they are in desperate need of clothing and food." (Madame Sun Appeals for Aid to Partisan Fighters", CHINA WEEKLY REVIEW, March 25, 1939, pp. 104-5). A war of attrition is a two-edged sword.

*Ambassador's despatch No. 25, April 7, 1938; General Chu Teh (Communist leader), "The War of Resistance in North China", PACIFIC DIGEST, November 1938, pp. 3-9; Moscow's despatch No. 1199, April 22, 1938; Hankow's despatch No. 563, September 9, 1938.

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

-20-

Shantung and Shansi Provinces resided largely in the hands of the Chinese still, and it was therefore concluded that the Japanese would be able neither to exploit nor to control the areas away from the chief urban centers and the lines of communication; therefore, it was stressed, Japan was facing increasing economic and military difficulties in its campaign in China.* Shortly after the fall of Hankow, an official of the Soviet Russian Embassy in Peiping observed in private conversation that in the ultimate analysis Japan's wheels of industry, which were the sustaining power for the Japanese military forces in the field, are so developed that they can continue turning only with help from foreign countries in terms of petroleum products, raw cotton, high-speed steel, et cetera; whereas China's economic organization by reason of its more primitive character is not subject in the same degree to collapse under heavy stresses such as occur in time of war. The crisis confronting Japan was shown, he said, by the progressive application of the several provisions of the National Mobilization Law.

It is perhaps true that Japan could not have continued indefinitely using up its financial and material resources and its man-power at the rate current during the first twelve months of warfare - although World-War experience

*Cf. Moscow's despatch No. 1586, August 23, 1938. That despatch quoted a Russian observer as calculating that Japan, with 1,500,000 men under arms, could not substantially increase its armed forces over 1,600,000 men without seriously disturbing the Japanese economy. Japan's trained reserves nevertheless outnumber China's; and it was estimated by American delegates at the 1926 Disarmament Conference that training of a soldier took six months, formation of a division one year.

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

-21-

experience would lead one to refrain from predicting an early collapse even so* - but it is necessary to take cognizance of the fact that the capture of Hankow at least temporarily marked the end of expenditure on a major scale: at the present time, the Japanese Army in China is probably costing comparatively little more than the Italian "Volunteers" operating with Franco's forces have on the average cost Italy. As remarked by LE JOURNAL DE SHANGHAI, the past four months have been spent in consolidating the gains of the Japanese Army and in mopping up the guerrilla bands remaining in the area east of the P'ing-Han Railway and north of the Yangtze River. It is unimportant from a military standpoint if there remains in the hands of the Chinese in that vast area a modicum of political autonomy for the present: the important circumstance is that there exists

*It is hardly necessary to recall that most pre-1914 observers predicted that a major European war could last for only a few weeks because of the tremendous cost; but it may perhaps be pertinent to point out that Japan has quite adequate food resources and control of the adjacent area of the Pacific Ocean whereas Germany is reputed to have raised an army of 11,000,000 in the Great War from a population roughly the same as Japan's; and Japan's casualties do not appear large when compared to the 60,000 British casualties on the first day of the Somme offensive, the terrible losses at Passchendaele, and France's 420,000 irrecoverable casualties during the first five months of the war. Even if it is argued that Japan's industrial strength is less than that of either France or Germany in 1914, it must nevertheless be admitted that the warfare in China has been much more economical for Japan than was warfare on the Western Front for any one of the major participants.

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

-22-

0581

exists in the conquered region no major political force which could challenge Japanese military authority, and that the Japanese forces control all communications and the chief points of ingress to and egress from that region. Japan is in effective military control of a portion of China larger than Germany and more populous, and the Chinese arms are in no position to challenge that control.*

There are certain conclusions which may be drawn:

1) China, by reason of its possession originally of a good supply of silver as well as because of the military strength of the Kwangsi and Communist parties, has an "army-in-being" and has been able to increase its strength somewhat in the course of the past four months, but is unable in the present circumstances to take effective direct action to break the control Japan has fixed on a large portion of the country; 2) there are strong elements in the National Government which would come to an agreement with the Japanese for the cessation of the warfare, but those elements are for the time being restrained by the growing force of nationalism in China as fostered by the aforementioned Kwangsi and Communist parties and (to a more limited degree) by the policies enunciated by General and Madame Chiang Kai-shek; 3) the Japanese Army will be able to establish domination over those nationalistic elements in due course of time unless (a) there is the major intervention of a third Power in the struggle

or

*It was recently estimated by Liddell Hart, British strategist, that the offensive must have three times the "power units" possessed by the defenders. (MANCHESTER GUARDIAN WEEKLY, January 13, 1939, p. 32). China's artillery and air-force are in no condition to sustain an attack on the Japanese position.

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

-23-

or (b) there are loosed certain revolutionary forces which, although leading to the destruction of some existing Chinese social values, may bring about a ferment in Asia beyond the powers of Japan to control. It would appear probable that Soviet Russia anticipates that the latter development may occur, and that North-west China is by the Russians now regarded as the cradle of modern Chinese nationalism as it once was the cradle of the Chinese race. It seems possible, however, that future events in Europe might in the first place distract the Soviet Union from the Asiatic aspect of power politics and, in the second place, cause Japan to be content with its present holdings on the continent and turn its own attention elsewhere. The particular form of future events of course cannot accurately be foretold. It is only certain that the economic and political consequences of the Sino-Japanese hostilities will bring about grave deterioration of the social fabric of Asia, and that Japan's proposed establishment of a "New Order in East Asia" will at best be attended by many difficulties.

Respectfully yours,

For the Consul General at Shanghai:

O. Edmund Clubb
 O. Edmund Clubb
 American Consul.

Enclosure:
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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. Gustafson NARS, Date 12-18-75

LE JOURNAL DE SHANGHAI

SHANGHAI, DIMANCHE 26 FÉVRIER 1939

La situation militaire en Chine

Après une période de quatre mois où l'action diplomatique et politique de l'armée nippone a pris le pas sur l'activité militaire mais sans obtenir les résultats recherchés, on peut s'attendre à une reprise des offensives militaires nippones qui, selon toute vraisemblance, seraient déclenchées dans le Nord

Après les succès foudroyants des offensives japonaises d'octobre 1938, l'avance nippone peut être considérée comme suspendue. L'occupation de l'île de Hainan (nous étudierons cette question dans un prochain article) est pratiquement sans importance au point de vue opérations militaires contre les forces chinoises. Cette occupation relève, non de la critique militaire, mais de la politique internationale. Elle était, en outre, nécessaire pour maintenir le moral des Japonais du Japon qui, sans aucun doute, avaient fondé trop d'espérances sur la prise de Hankéou et celle de Canton, s'imaginant que la fin des hostilités en allait être avancée.

Dans notre article du 4 décembre, nous avons prévu qu'à la suite des succès nippons, la politique prendrait la prépondérance sur les opérations militaires. En effet, la diplomatie japonaise a déployé une grande activité, qui a abouti à la manœuvre de Wang Ching-wei, puis à la démission du prince Konoé et à un renforcement de l'emprise des militaires sur le gouvernement de Tokio. La diplomatie n'ayant pu arriver à des résultats satisfaisants, il faut prévoir maintenant un nouvel effort militaire. S'il n'y a pas eu de grande attaque nippone, depuis quatre mois, l'armée impériale n'est pas, pour cela, demeurée inactive.

Depuis plus de trois mois, les Japonais s'occupent surtout de consolider les positions conquises et de fortifier leurs lignes de communication. Ils ont aussi entrepris le nettoyage des provinces du nord: de pareils combats ne nécessitent aucune stratégie.

L'attaque dans le Kiangsi, envisagée après la prise de Canton, n'a pas encore été mise à exé-

cution et le front du Sud (Kouangtong) est à peu près stationnaire depuis trois mois. Il semble que l'effort des chefs militaires nippons va se diriger vers le Nord: s'il en était ainsi, ceci montrerait que le clan de l'armée de Corée l'a emporté sur le clan de l'armée du Sud (Marine) qui préfère l'expansion vers le Sud. Dans l'état actuel des choses, il semble peu probable que le Japon puisse mener à fond des opérations de grande envergure au Nord et au Sud de la Chine; il doit choisir entre l'un ou l'autre secteur.

Voici la situation du front actuel. Stationnaire depuis quatre mois, elle se présente comme suit:

Sur le front nord, les Japonais tiennent la ligne du chemin de fer: Paotow-Pékin jusqu'à Paotow inclus et la ville de Palingmiao, au nord de Paotow et située sur la route allant à Ourga; ces villes sont dans la Mongolie Intérieure. Dans le Chansi, les Japonais tiennent la voie ferrée allant de Taiyuanfou au fleuve Jaune; mais le tronçon de ligne de Tatung à Taiyuanfou semble encore être contrôlé par les Chinois et ne peut être utilisé par les Japonais.

L'armée nippone s'est installée aux principaux points de passage sur la rive gauche du Fleuve Jaune, depuis le nord du Chansi jusqu'à la voie ferrée Pékin-Hankéou. Ce front Nord, qui sera étudié ultérieurement, peut prendre une importance capitale en cas d'hostilités avec l'U.R.S.S. L'état-major nippon conserve dans cette région et dans le Mandchoukouo une armée importante.

Le front central part de Kaifeng, longe la rive gauche du nouveau cours du Fleuve Jaune

jusqu'au sud de Tauho, puis se dirige sur Siuyang, rejoint le Hangki Kiang, suit cette rivière jusqu'à Hangyang, puis le Yangtsé jusqu'au sud de Yochow. Ce front se raccroche ensuite à Wuning et Teian pour rejoindre le Yangtsé à Hukow. suit le fleuve dont les centres principaux sont tenus par les Japonais: de Wuhu, le front japonais rejoint Hangchow en tenant la voie ferrée de Wuhu à Ningkwo.

Sur tous les fronts, seules les voies de communication et les centres importants sont tenus de façon permanente et il ne saurait être question d'un front continu.

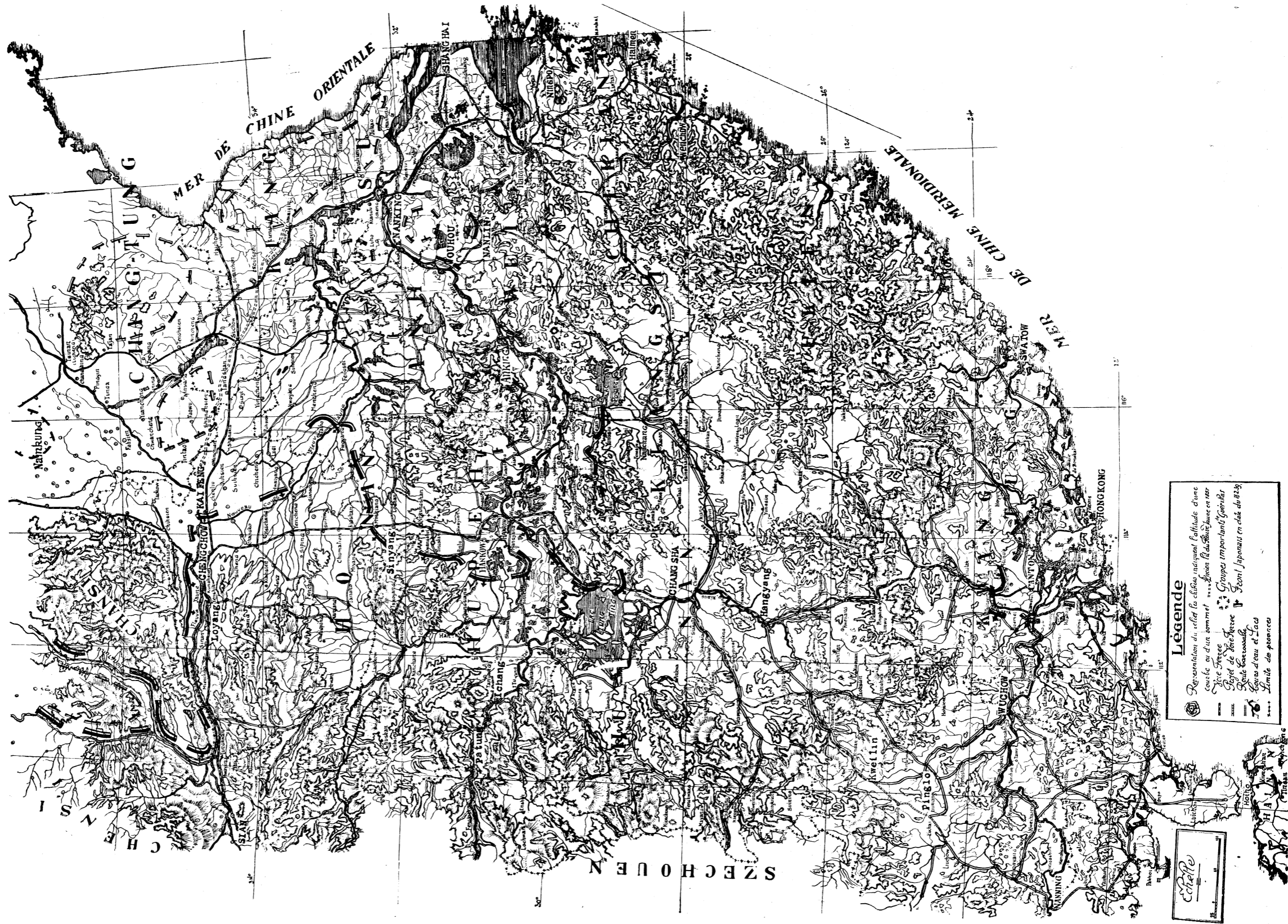
Les quatre mois qui viennent de s'écouler et qui ont été consacrés principalement à la politique par le Japon, ont été utilisés par Tchiang Kai-shek à la réorganisation de son armée, du pays et de son ravitaillement en matériel. Le généralissime chinois a donné à son régime un renouveau d'énergie. Si le moral des Chinois se maintient, la conquête réelle des pays occupés promet d'être de plus en plus difficile.

L. G.

Voir à la page 9 la Carte des opérations militaires en Chine

193.74/14992

Carte de la situation militaire en Chine



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

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

(TRANSLATION OF EDITORIAL)

LE JOURNAL DE HANGHAI (THE HANGHAI JOURNAL), Feb. 26, 1939.

Translator: EC

THE MILITARY SITUATION IN CHINA

After a period of four months where the diplomatic and military action of the Japanese Army has taken precedence over military activity but without obtaining the sought-for results, one can anticipate a resumption of Japanese military offensives, which, by all appearances, will be launched in the North.

After the tremendous successes of the Japanese offensives of October 1938, the Japanese advance can be considered as suspended. The occupation of the island of Hainan (we shall study this question in a subsequent article) is practically without importance from the point of view of military operations against the Chinese forces. That occupation depends, not upon military considerations, but upon international policy. It was, further, necessary in order to maintain the morale of the Japanese of Japan who, without any doubt, had based too much hope on the capture of Hankow and that of Canton, imagining that the end of the hostilities would be advanced thereby.

In our article of December 4, we foresaw that following the Japanese successes, politics would take predominance over military operations. In fact, Japanese diplomacy displayed great activity, which came to the maneuver of Wang Ching-wei, then to the resignation of Prince Konoye

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

- 2 -

and an increase of the pressure (? emprise) by the military upon the Tokyo Government. Diplomacy not being able to arrive at satisfactory results, it is necessary to foresee now a new military effort. If there has been no great Japanese attack for four months, the Imperial Army has not, for all of that, remained inactive.

For more than three months, the Japanese have occupied themselves especially with consolidating the positions gained and with fortifying their lines of communication. They have also undertaken the mopping-up of the provinces of the North: no strategy is necessary for such combats.

The attack in Kiangsi, envisaged after the capture of Canton, has not yet been put into execution and the front of the South (Kwangtung) has been nearly stationary for three months. It appears that the effort of the Japanese military chiefs is going to be directed toward the North: if it be so, this will show that the clique of the Army of Korea has overcome the Army of the South (Navy) which prefers expansion toward the South. In the present state of affairs, it appears hardly probable that Japan could in actuality carry on operations in the great spread to the North and to the South of China; it is necessary to choose between the one or the other sector.

Here is the situation of the present front. Stationary for four months, it presents itself as follows:

ON THE NORTHERN FRONT, the Japanese have the line of the Peking-Paotow railway to Paotow inclusive, and the town of Pailingmiao to the north of Paotow and situated on the route going to Urga; these towns are in Inner Mongolia. In Shansi, the Japanese have the rail line running from Taiyuanfu to the Yellow River; but the spur line

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

from Tatung to Taiyuanfu* appears again to be controlled by the Chinese and cannot be utilized by the Japanese.

The Japanese Army has installed itself at the principal points of passage on the left bank of the Yellow River, from northern Shansi to the Peking-Hankow rail line. That northern front, which will be studied subsequently, could have a capital importance in case of hostilities with the U. S. S. R. The Japanese general staff holds in that region and in Manchoukuo an important army.

THE CENTRAL FRONT runs from Kaifeng along the left bank of the new course of the Yellow River to the south of Taiho, then is directed to Sinyang, rejoins the Han Kiang, follows this river as far as Hanyang, then the Yangtze to the south of Yochow. That front next loops down to Wuning and Teian in order to rejoin the Yangtze at Hukow, following the river, of which the principal centers are held by the Japanese: from Wuhu, the Japanese front rejoins Hangchow following the rail line from Wuhu to Ningkuo.

On all fronts, only the ways of communication and the important centers are held in a permanent manner and it is not to be considered a question of a continuous front.

The four months which have just passed by and which have been consecrated principally to politics by Japan, have been utilized by Chiang Kai-shek for the reorganization of his army, of the country, and for the restoration of material. The Chinese generalissimo has given to his regime a renewal of energy. If the morale of the Chinese is maintained, the real conquest of the occupied country promises to be more and more difficult.

L. G.

(See on page 9 the map of military operations in China)

*The middle section of this line was never completed, unless this was done recently (as is improbable) by the Japanese: EC

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

TELEGRAM RECEIVED

AC

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

FROM

Foochow via N.R.

Dated May 8, 1939

Rec'd 10:39 a.m.

Secretary of State

Washington

May 8, 4 p.m.

in paraphrase
 COPIES SENT TO
 O.N.I. AND M.I.D.
in confidence

Division of
 FAR EASTERN AFFAIRS
 MAY 8 - 1939
 Department of State

Japanese naval vessels bearing planes appear to be dividing their time between here and Swatow. The first raid on Foochow since May 2 occurred late yesterday afternoon. Nantai business section near the bridge was bombed, twenty buildings demolished and the largest fire yet broke out. There were few casualties as that district was practically deserted.

Today the same area was again attacked and fires are burning.

Banks, stores, the customs, post office, et cetera are closed from eight a.m. to five p.m. and it is estimated that forty per cent of the population has left.

Chinese naval authorities inform me there was an aerial attack on Yenping this morning and I have telegraphed inquiry as to welfare of Americans.

Four bombers have just returned and bombing has recommenced.

Sent to Peiping, ~~for~~ Chungking, Shanghai.

ROWE

WWC:PEG

793.94/14973

F/FG

10/17/39

0243

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

(Confidential)

CONFIDENTIAL

PARAPHRASE

A telegram of May 8, 1939, from the American Consulate at Foochow reads substantially as follows:

It seems that the time of Japanese naval vessels which carry airplanes is divided between Swatow and Foochow. It is estimated that 40 percent of the population has left Foochow and the post office, customs, stores, banks, et cetera are closed from eight o'clock in the morning until five o'clock in the afternoon. Late on the afternoon of May 7 there was an air raid on Foochow - the first one since May 2. There were few casualties as the Nantai business area near the bridge where the bombing occurred was almost entirely deserted. Twenty buildings were destroyed and there was the largest fire which has yet broken out. The same section was attacked again on May 8 and fires are burning. Just now (four p.m., May 8) four bombing planes have come back and bombing has begun again.

On the morning of May 8 there was an air raid on Yenping, according to information received from Chinese naval authorities by the American consular officer at Foochow who has inquired telegraphically in regard to the welfare of American citizens at Yenping.

793.24/14973
FE:EC:JPS
5-9

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JCS

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

DOCUMENT FILE

NOTE

SEE 811.4061 Motion Pictures/287 FOR

FROM Bray Studios, Inc. (H.D. Norris) DATED Mar. 30, 1939
 TO NAME 1-1127 670

REGARDING: Scenario outlining growth of militaristic dictatorships and rule of force in progress in many parts of the world.

Desires to have - reviewed and passed upon by the State Department before the picture is produced.
 rls

793.94/14974

14974

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

DOCUMENT FILE

NOTE

SEE 894.20246d/6 FOR despatch # -

FROM Singapore (Patton) DATED March 30, 1939.
 TO NAME 1-1127

REGARDING: Repercussions of Sino-Japanese hostilities
 on Communist and Japanese propaganda in
 Malaya. Report concerning -.

aa

793.94/14975

14975

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

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Tientsin/130 FOR #772

FROM Tientsin (Caldwell) DATED April 6, 1939
TO NAME 1-1127 ***

REGARDING: Sino-Japanese relations for the month of March, 1939.

793.94/14976

14976

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

B. Relations with Other Countries.

1. Japan.

75-11
1972

a. Restrictions Imposed by Japanese Military along Borders of British and French Concessions. (1-9) During the latter part of February and early March the Japanese military erected live wire entanglements along the borders of the British and French Concessions. This action was protested by this Consulate General, as well as by the German, French and British Consuls General. The Japanese also constructed brick buildings and wooden shelters at the various entrances to the Concessions and took other measures apparently in preparation for re-instituting examinations and other restrictions on passage into and out of the Concessions. Some foreigners (particularly the British) were stopped and questioned as to whether they were carrying Chinese national currency, and it was reported that some foreigners (none of whom were American) were searched and old notes in their possession seized. There was very general searching of Chinese for a time, but no other restrictions on traffic in and out of the British and French Concessions were actually imposed.

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

-2-

posed. There were indications, however, that the Japanese military had made plans for a complete blockade of the British and French Concessions which were being held in abeyance.

During discussions of the proposed Japanese restrictions, the Japanese reiterated their concern for American interests, classifying Americans as their "friends" and the British and French as their "enemies", and stated that they were very desirous that the Japanese restrictions should not cause inconvenience to Americans.

b. Guerilla Warfare. The Consulate General has been able to obtain very little accurate information regarding conditions in the interior away from the Japanese-controlled railways and towns. The Japanese-controlled press reported continuous successes in encounters with the guerilla forces and complete suppression of these forces over large areas, but the meagre reliable information obtainable by the Consulate General does not confirm this. When the Japanese concentrate their forces and attack some particular point they usually capture it, often without strong resistance on the part of the guerilla forces who seek to avoid conflict with large bodies of Japanese troops, but such places are promptly reoccupied by the guerillas unless they are garrisoned by the Japanese.

The Japanese campaign against the guerillas has not resulted in any great expansion of Japanese influence but has been to a certain extent damaging to Japanese economic plans in North China, due to the destruction of

life

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

-3-

life and property involved. Japanese reports of friction between the 8th Route Army and other Chinese partisans were believed to have been issued mainly for propaganda effect and to have been considerably exaggerated. Chinese sources reported that General Umetsu was killed near Shu Lu (東 鹿), Hopei, on March 22 in a fight between Japanese troops and Chinese guerillas but this was denied by the Japanese.

c. Establishment of Office of Asia Development Board. The Peking office of the Japanese Government Asia Development Board was inaugurated on March 1. Lieutenant General Kita, Chief of the Japanese Special Mission in North China and senior Japanese adviser to the "Provisional Government", was appointed Director of the office, which occupied the building of the former Chinese Ministry of War. An office was also established in Kalgan under the direction of Major General Sakai.

d. Bridge Across Haiho. The bridge constructed by the Japanese military across the Haiho connecting the Japanese and Italian Concessions was completed on March 10.

0250

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

No. 61.

RECEIVED
 DEPARTMENT OF STATE

1939 MAY 8 PM 1 46

DIVISION OF
 COMMUNICATIONS
 AND RECORDS

AMERICAN COI

Tsinan, China, apr

SUBJECT: ARRIVAL OF LIEUTENANT GENERAL NUMA

793.94

Willis H. Peak, Esquire,

American Charge d'Affaires ad interim

Peiping.

COPIES SENT TO
 U.N.I. AND W.I.D.

Division of
 FAR EASTERN AFFAIRS
 MAY 9 - 1939
 Department of State

Sir:

I have the honor to report that Lieutenant General
 Numata (沼田徳重) has recently arrived in Tsinan
 (from Hankow, it is understood) to relieve Lieutenant
 General Suematsu as commander of the Tientsin-Jukow
 Railway area.

At a dinner given last night, at which important
 Chinese and Japanese officials, senior Japanese Army
 officers and consular representatives were guests of
 the new General, the usual speech was delivered by the
 host and "appropriate" replies were made by the puppet
 Governor and the Acting Japanese Consul General, on
 behalf of the guests.

The writer was impressed by the cordiality dis-
 played towards him by the Japanese Army officers present
 and by the political importance with which they appear
 to view the action of the United States Government in
 having sent the ashes of the late Ambassador Saito to
 Japan by an American warship. But even more impressive

was

793.94/14977

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

- 2 -

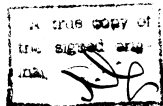
was the anti-British sentiment manifested
even apologized profusely (but quite early)
having entertained the thought, until otherwise
formed by a colleague, that the undersigned was
English.

Respectfully yours,

Carl O. Hawthorne,
American Vice Consul.

BOO
COH/KCC

Original to Embassy, Peiping,
5 copies to Department,
Copies to Embassies, Chungking and Tokyo.



325

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

TELEGRAM RECEIVED

JR

GRAY

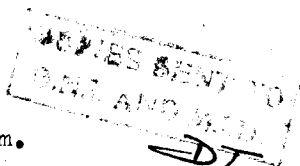
FROM Tsinanfu via Tsingtao & N.R.

Dated May 3, 1939

Rec'd 6:56 p.m., 8th.

Secretary of State,
Washington.

21, May 3, 10 a.m.



One. Japanese military took extraordinary precautions yesterday conducting a house to house investigation in certain sections of the city and searching everybody on the streets. Expectations that the 11th anniversary of the Tsinanfu incident of May 3 would be remembered by patriotic Chinese were fulfilled by attacks on sentry posts during the night of May 1-2 when four sentries were killed and eight wounded. The forcible entrance into the Bank of Chosen and the destruction of the Tsingpu railway near Tawankow occurred the same night.

Two. Fighting is reported to be in progress near Changtsing, 23 miles southeast of Tsinanfu, and bombing or shelling was audible here at noon yesterday which Japanese allege was only "target practice".

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

DDM

793.94/14978

F/FG

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

DOCUMENT FILE

NOTE

SEE 893.811/1114 FOR despatch # 18

FROM China (Nanking) (Clubb) DATED April 3, 1939.
TO NAME 1-1127 070

Sino-Japanese relations.

REGARDING: Establishment of the Nanking Transport
Company to control sailing vessels, harbor
fighters, and harbor facilities on the
Yangtze River. Report concerning -,
enclosing statement which purports to
describe the organization, functions and
objectives of the Company.

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

DOCUMENT FILE

NOTE

SEE 701.9341/39 FOR #253

FROM Manchester (Tait) DATED April 26, 1939
 TO xxxx NAME 1-1127 ***

REGARDING: Address of Quo Tai-chi, Chinese Ambassador to Great Britain
 before Manchester Reform Club on April 21st reported.
 Address devoted primarily to China's struggle with Japan;
 the breakdown in international morals which began with
 Japanese invasion of Manchuria and ended thus far with
 the over-running of Albania by Italy and the complete
 confidence in the termination of the war with Japan.

McC

793.94/ 14980

793.94
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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. Quisenberry NARS, Date 12-18-75

No. 253

AMERICAN CONSULATE

Manchester, England.
April 26, 1939.

SUBJECT: Speech at Manchester by Chinese Ambassador
to Great Britain.

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON

I have the honor to report as of possible interest to the Department that Mr. Quo Tai-chi, the Chinese Ambassador to the Court of St. James, addressed on April 21, 1939, a capacity audience at the Manchester Reform Club. Mr. Quo's talk, which received considerable applause and was most attentively followed, was devoted primarily to China's struggle with Japan; the break-down in international morals which began with the Japanese invasion of Manchuria and ended thus far with the over-running of Albania by Italy; and the complete confidence in the ultimately favorable termination of the war with Japan.

In its issue of April 22, 1939, THE MANCHESTER GUARDIAN contains the substance of Mr. Quo's remarks which I consider to be very accurately reported, since I attended the luncheon. The same issue of the GUARDIAN likewise devoted an editorial to Mr. Quo's talk. Both clippings are transmitted in quintuplicate with

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

-2-

with this despatch.

For the Department's further information the Manchester Reform Club was established in 1867. It has a membership of just under 1,000, which in general is highly representative of the Manchester professional and business interests. It takes a fairly important part in Manchester life, and the features of its luncheons are talks by well-known personalities about every two weeks. Thirty-five minutes is usually allowed for such addresses.

Respectfully yours,

George Tait
American Consul

List of Enclosures:

- No.1. Newspaper account of speech.
- No.2. Editorial.

800
GT.kg.

A true copy
of the original
original. *MS.*

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

Enclosure No.1 to despatch No.253 dated April 26, 1939,
 from George Tait, American Consul at Manchester, England,
 on the subject: "Speech at Manchester by Chinese Amba-
 sador to Great Britain".

Clipping from THE MANCHESTER GUARDIAN of April 22, 1939.

CHINA'S LONELY FIGHT AGAINST AGGRESSION

Mr. Quo Tai-chi Speaks in Manchester

"MOST PACIFIST NATION IN THE WORLD" RESISTS NAKED FORCE

Mr. Quo Tai-chi, the Chinese Ambassador, speaking at Manchester Reform Club yesterday, addressed himself "to that historic and germinative Manchester" of which he had heard since his boyhood, and sought to show that China is central and not peripheral in the present situation "for constructing the future as well as for curing the present." "Both danger and opportunity originate, the same as the daily sun, in the East," he declared.

The rape of Manchuria had marked the beginning of the breakdown of the world's political morality, and now China not only fought her own fight—"in somewhat too lonely a fashion"—but "also thereby kept the Asiatic partner of the aggressive axis morassed in her vast country, and so diminished her support of threats elsewhere. With the new hope created by China's greatly improved position in the fight, he looked to the time when it would be necessary to reorganise free commerce among all nations, which is the undoubted panacea for the future. (Hear, hear.) Could anybody think of its being accomplished without an independent China carrying on her immemorial trading in her modern good-neighbourly relations with all countries near and far, even including Japan?

THE TWO MANCHESTERS

Mr. Quo said that all his life—as a boy with his scholar-father at home in China, as a student in Massachusetts and Philadelphia in the United States, and during a residence in Great Britain that now approached seven years—he had had a living and lively sense of two Manchesters. Now as guest at a luncheon of Manchester Reform Club it was not the Manchester of the spindles and the ships that he thought of first, but that Manchester which through a considerable number of generations had had the responsibility of knowing that in vital political and social matters what Manchester thought to-day there was great likelihood all England would be agreed in thinking to-morrow.

"I should be less than adequate," he added, "if I did not mention the great services of the Manchester Guardian, that have kept your city an intellectual and political capital as well as a commercial metropolis. But I also recognise at the back of it the sentiment and support of eminent citizens of your city."

REBUILDING CHINA

Mr. Quo recalled how, under the inspiration of Dr. Sun Yat-sen, and through the Kuomintang programme, a modern China was being built along nationalistic and democratic lines. The achievements stood as a monument to the ability of the Chinese character to overcome inertias and use constructive imagination.

The simple truth was in the British Government's declaration to Japan on January 14 of this year, which set forth that "until the outbreak of the present hostilities the beneficial effects which the treaty was expected to produce were steadily being realised. The Chinese people were maintaining and developing for themselves an effective and stable Government, and the principle of equal opportunity for commerce and industry of all nations was bringing prosperity to China and her inter-

alarms Europe and Asia. By her resolute resistance during the last 21 months and with her inexhaustible reservoir of man-power and her immense potential resources, and her unshakable determination to fight through to a successful issue, China made all the difference in the balance of forces between world security now and world peace and human liberty in a continuing future against the forces operating for international anarchy.

Dr. Quo went on to show how China, having lost great cities and the control of nearly all her seaboard, had, in the now famous phrase, "bought time with space," and had effectively developed an empire out of the great and self-sufficient south-western provinces, opening on Burma and Indo-China, that would be an ample eminent domain for most nations.

He described the road, rail, and air communications with the West, and the great steps taken towards re-establishing industry in a national centre from which radiates national administration throughout China—even in the so-called "occupied areas."

Was it not strange that the most pacifist nation in the world was precisely the nation that was resisting valiantly in arms the aggressive philosophy and the tactics of naked force and the negation of good faith? "We are doing it," said Mr. Quo, "because we know it is necessary, and there was no other alternative except submission and vassalage. It is a striking enough fact for the historian of the future that China is putting up a grimmer fight for international political decency than nations elsewhere whose circumstances for such withstanding were better than ours."

JAPAN'S "MEIN KAMPF"

Mr. Quo reminded the audience that Japan's aggression began not merely with the invasion of Manchuria in 1931, but, to the Chinese mind, with the infamous twenty-one demands that Japan made on China in 1915, in the midst of the world war, and the equally infamous Tanaka Memorial of 1927—the "Mein Kampf" of Japan, setting forth Japan's whole plan for hegemony over East Asia and conquest of the whole Western Pacific area, with exclusion and extermination of all Western interests and influences.

ATTACK ON EDUCATION

From the beginning the Japanese had had a special malignance towards all Chinese higher schools. They regarded them as centres of the resistance to aggressions and debasements, as indeed they were and always would be. Of China's 112 universities, colleges, and technical schools, 83 had been completely or largely destroyed. It was an epic story the way these institutions of higher learning had moved inland to the south-west, though with the loss of nearly all their libraries and equipment, and were followed in a thousand-mile trek on foot by their students. The universities of Great Britain were now subscribing to ship books and apparatus—an act of "fellowship in learning" which Mr. Quo gratefully acknowledged, with special reference to the share of the University of Manchester.

Japan could not continue her brutal war on China for six months longer without imports from the West, Mr. Quo emphasised, and he argued that Japan far from being in an advantageous position by being able to operate near her bases, as was sometimes suggested, was dependent on shipping which could be attacked far from the home ports.

0258

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

REBUILDING CHINA

Mr. Quo recalled how, under the inspiration of Dr. Sun Yat-sen, and through the Kuomintang programme, a modern China was being built along nationalistic and democratic lines. The achievements stood as a monument to the ability of the Chinese character to overcome inertias and use constructive imagination.

The simple truth was in the British Government's declaration to Japan on January 14 of this year, which set forth that "until the outbreak of the present hostilities the beneficial effects which the treaty was expected to produce were steadily being realised. The Chinese people were maintaining and developing for themselves an effective and stable Government, and the principle of equal opportunity for commerce and industry of all nations was bringing prosperity to China and her international trade, including that with Japan."

For six or seven years China had tried accommodation and had watched it being tried by Western Powers to protect their interests in the Far East, "long after we had realised in our own disillusionment that all they would ever get out of it, as all that we ever got out of it by the utmost patience and reasonableness, was 'the smile on the face of the tiger,' in the words of the old limerick. Appeasers were only appetisers."

"It was a satisfaction," he continued, "to have President Roosevelt, as emphatic about Asia as he was about Europe last week-end, both by speech and by act, and also to have Mr. Chamberlain's 'Yes, sir,' in the House of Commons on Wednesday when he was asked if the British Government keeps China well in mind in organising any combination of Governments for the purposes of resisting aggression."

China took the brunt even in the immediate military situation that

aggressions and debasements, as indeed they were and always would be. Of China's 112 universities, colleges, and technical schools, 83 had been completely or largely destroyed. It was an epic story the way these institutions of higher learning had moved inland to the south-west, though with the loss of nearly all their libraries and equipment, and were followed in a thousand-mile trek on foot by their students. The universities of Great Britain were now subscribing to ship books and apparatus—an act of "fellowship in learning" which Mr. Quo gratefully acknowledged, with special reference to the share of the University of Manchester.

Japan could not continue her brutal war on China for six months longer without imports from the West, Mr. Quo emphasised, and he argued that Japan far from being in an advantageous position by being able to operate near her bases, as was sometimes suggested, was dependent on shipping which could be attacked far from the home ports.

"GREATEST SHAM"

"Japan struts upon the stage of East Asia only by permission of the Powers, whose hesitations and preoccupations are her safeguard. She is the greatest sham of invulnerability that ever got away with sheer impudence in an anxious world. In her heart she knows it, even though the momentary success of her vauntings and venturings has half convinced her that she moves and threatens by her own invincibility."

Mr. W. Paterson, who presided, said in introducing Mr. Quo, "In this club there are many matters on which the members agree to differ in a friendly way, but there is one matter on which there is no difference of opinion, and that is our abhorrence at the way Japan forced this struggle on China and the way it has been conducted by Japan."

A vote of thanks to Mr. Quo was proposed by Mr. Charles Gandy.

[Picture on another page]

0259

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

Enclosure No.2 to despatch No.253 dated April 26, 1939,
from George Tait, American Consul at Manchester, England,
on the subject: "Speech at Manchester by Chinese Amba-
sador to Great Britain".

Editorial from THE MANCHESTER GUARDIAN of April 22, 1939.

China's Struggle

There are shrewd and far-sighted observers to-day who believe that a new and vigorous civilisation, destined to have great influence in the world of the future, is already rising in the vast expanses of Eastern Asia. The two causes of this awakening are Soviet Russia's development of her Far Eastern possessions, in particular of Siberia, and the Chinese Government's momentous decision to retreat into its western provinces before the advance of the Japanese invader. Confidence in this future destiny as well as consciousness of his country's age-long history inspired the notable speech which Mr. Quo Tai-chi, the Chinese Ambassador to this country, gave yesterday in Manchester. No matter whether commerce alone is considered or international politics or the still greater forces of the mind, it is, said Mr. Quo, impossible to conceive of any reconstruction of the world in which the Chinese nation, with its 450,000,000 people, will not play an important and even essential part. That this will not be a passive part is proved by the energy and imagination with which the Chinese are even now rebuilding in the West what the Japanese are still destroying in the East. This extraordinary migration westwards into the cloudy mountains of Sikang, Szechwan, and Yunnan is comparable in size and economic importance with the great westward movement in the United States during the nineteenth century, yet even more significant, for at the same time it has something of the character of that great intellectual movement across Europe which we know as the Renaissance.

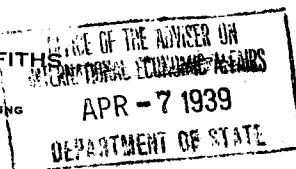
But Mr. Quo had no need to look forward to a distant future in order to remind his audience of China's importance to the world. China to-day is already bearing the brunt of that great struggle against violence in which this country has so much at stake. China tried appeasement and suffered aggression long before the British Government had any need to think of such things. The decline in the post-war situation began with the invasion of Manchuria, which the League failed to prevent and the British Government failed to understand. Moreover, in this as yet unfinished struggle China has proved herself to be no mean champion. Abyssinia, Austria, Czecho-Slovakia, Spain, and Albania have all been lost, but China fights on, alone but undefeated. By pinning down Japan in the Far East she is contributing almost as much to the cause of the peace-loving nations as British rearmament or President Roosevelt's speeches; in fighting for herself she is fighting for us. Mr. Quo reminded his audience that Japan's capacity to continue the war is largely dependent on her selling goods to the British Empire and the United States, but he expressed none of that bitterness which his countrymen must feel and which might easily be forgiven him. Rather his confidence and courage, echoed a

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

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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. Gustafson NARS, Date 12-18-75

AUSTIN E. GRIFFITHS
LAWYER
DEXTER HORTON BUILDING
MAIN 2189



SEATTLE, WASHINGTON

RESPECTFULLY REFERRED
FOR ACKNOWLEDGMENT
AND CONSIDERATION

MAH McGuffee March 27th, 1939

To the President
Washington, D. C.

Secretary to the President

Dear Mr. President:

Before our country and Japan drift into war, I beg
you to consider the wisdom of an immediate economic political
conference.

The conference should bring about to this country ces-
sation of the growing feeling or fear of war on the Pacific,
to the Philippines neutrality status under our benevolent int-
erest, to China the end of a disastrous war, to Japan econom-
ical security and political moderation, and stability and un-
limited business revival - expansion for the whole pacific part
of the world.

Great Britain, France, China, Russia to be partici-
pants.

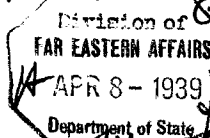
Based upon my understanding of the Japanese (or my
ignorance) due to visits to Japan and acquaintance, I venture
to say Japan would at heart welcome such an invitation. Also,
I don't believe Japan wants to be a set spoke in the Rome -
Berlin wheel.

For years I have thought this country, Britain and
Japan could and should guide the destiny of the far pacific
countries - and do it without these frightful, blasting de-
human wars. Nor is it too late for such leadership.

The cause of peace is worth the trial - and it won't
cost a lot to sound out England and Japan.

Nor do we gain anything by just saying, "what's the
use? Japan has broken this and that treaty." After war we
come to conference, another treaty and in it, generally, plant
seeds of another war.

For identification and showing long interest in this
subject, I enclose copy of resolution for open door, etc.,



600.0031-WORLD-PROGRAM/531

793.94/14981-

14981

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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. Gustafson NARS, Date 12-18-75

To the President

-2-

March 27th, 1939.

drawn by the writer and adopted by Seattle Chamber of Commerce
in 1898. Also, a letter of the writer may be seen in January
1, 1939, issue of Seattle paper, The Japanese-American Courier.

I remain,

Very respectfully yours,

Austin E. Griffiths

Austin E. Griffiths

AEG:JW

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

SEATTLE AND THE "OPEN DOOR" POLICY
 AS TO CHINA

034
 111

It may be interesting to know that Seattle Chamber of Commerce, on February 16, 1898, adopted a resolution offered by AUSTIN E. GRIFFITHS asking for "OPEN PORTS AND EQUALITY OF RIGHT" in China, as follows:

"That the policy of the government of the United States, in case of any partition or other territorial or autonomous change in the Chinese Empire affecting its seaboard or inland waterways of commerce from the sea, should be to insist upon and maintain, either alone or in conjunction with any other power, or powers, open ports and equality or right of all nations to trade therein.

That this Chamber urge upon our government the adoption of an active policy in line with the foregoing resolution instead of its present passive policy of apparently luke warm interest in the affairs now transpiring with respect to the integrity of the Chinese Empire.

That cooperation of each Chamber of Commerce on the Pacific Coast be sought to this end upon the ground that our present and prospective trade interests with China and trans-Oceanic countries are of peculiar, special and growing importance to the people and prosperity of this coast."

The resolution was forwarded to the President, as is shown by the following letter to the Secretary of the Chamber:

"Executive Mansion,
 Washington, D. C.
April 20, 1898.

Dear Sir:

The President directs me to acknowledge receipt of your letter of the fourteenth instant, transmitting the memorial of the Chamber of Commerce of the City of Seattle, Washington, urging the preservation and protection of the treaty rights of our citizens in China, and to inform you that it has been brought to the personal attention of the Secretary of State.

Yours truly,

(signed) John Addison Porter
 Secretary to the President."

Later, November 6, 1899, Secretary of State, John Hay, announced to the powers our famous policy of the "OPEN DOOR".

AUSTIN E. GRIFFITHS

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

April 18 1939

In reply refer to
 FE 600.0031 World Program --
 Griffiths, Austin E.

My dear Mr. Griffiths:

The receipt is acknowledged, by reference from the White House, of your letter of March 27, 1939, addressed to the President, in which you suggest the calling of an economic political conference in connection with the situation in the Far East.

The contents of your letter and its enclosure have been noted with care and the spirit which prompted you to bring your views to the Government's attention is appreciated. You may be assured that we welcome and give careful consideration at all times to comments and suggestions from thoughtful sources in regard to any phases of our foreign relations.

Sincerely yours,

For the Secretary of State:

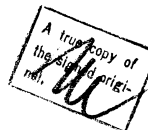
M. M. Hamilton
 Maxwell M. Hamilton
 Chief

Division of Far Eastern Affairs

Mr. Austin E. Griffiths,
 Dexter Horton Building,
 Seattle, Washington.

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793.94/14981
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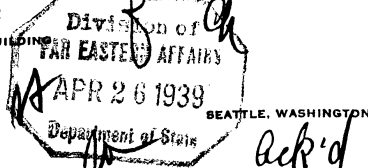
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0265

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

AUSTIN E. GRIFFITHS
 LAWYER

DEXTER HORTON BUILDING
 MAIN 2169

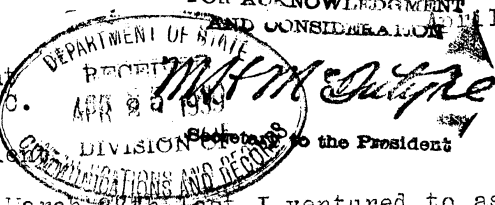


ack'd

793.4d/

RESPECTFULLY REFERRED
 FOR ACKNOWLEDGMENT
 AND CONSIDERATION April 17th, 1939.

To the President
 Washington, D. C.



Dear Mr. President: *Secretary to the President*

March 24th last I ventured to ask you to consider the value of inviting Japan and certain other powers to a conference over Far East questions.

Please regard this letter as supporting that suggestion.

For many years I have lived on the Coast and I expect my descendants to continue here for centuries to come. Naturally I desire them to dwell under their own vine and fig tree in peace and security. Personally I desire to do what I can to avert the usual futilism of recurrent war.

Since my letter the Japanese have taken the Spratly Islands. Also the press reported a feeler put out by that country towards a Pacific Ocean conference. Europe is more intensely occupied.

Unless matters are deftly handled sparks from Europe will spread the present Asiatic fire.

Since California passed its anti-alien land laws with anti-alien school talk mainly intended against the Japanese inhabitants;

Since the Federal quota law was passed excluding Japanese people from it;

Previous good feeling and neighborly attitude between our country and Japan have gone from bad to worse.

Concerning the quota exclusion act I wrote President Coolidge asking him to veto the act in the public interest, and if possible have a substituted law allow Orientals a nominal quota. Later, when in Washington, I saw Mr. Shouse as to my letter. He said the President disliked the Oriental quota exclusion and that he would veto the bill, if he had assurance

600.793.9414982 PROGRAM/304

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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. Gustafson NARS, Date 12-18-75

To the President

-2-

April 17th, 1939.

the veto would be supported. I was referred to the State Department. There I was told the State Department was opposed to the exclusion act as then passed and knew President Coolidge was, but that the State Department had gone as far as was prudent in opposition both before the President and on the Hill. I have always thought President Coolidge missed a rare chance to avert a cause of growing ill will between the two peoples. At that time I felt sure his veto would have cooled off the hot heads in the Senate, and upon second thought a wiser exclusion bill not built upon racial lines would have been passed.

However, except as above indicated, I believe in the exclusion policy. Without it our Coast would be overwhelmingly Oriental in population. Our land would pass to that diligent and capable ownership with white Americans in offices and with white collar jobs only.

Besides, I recognize a popular demand for exclusion and anti-alien land laws. There is on the Coast a latent instinctive feeling or fear of the teeming and lower standard of living millions not far from us across the water. This fear or premonition of a flood of Oriental immigration unless safeguards are put up justifies, I believe, sensible exclusion measures based upon economic grounds.

However, prudence will not intensify exclusion on economic grounds by racial prejudice. That, I fear, has been done by our present act.

Regardless of causes Japan is fast going into the Totalitarian camp.

But I am certain the bulk of the people are democratic in aspiration. I am certain they would prefer association with the United States and the liberal countries of Western Europe.

Nor do I believe it is too late for this country to take the initiative to restore and keep the peace of the Pacific.

Indeed, I believe America should act at once to this end and for many reasons human and national.

1. It is our national interest to preserve a fair balance of power in next-door neighbor Asia.

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

To the President

-3-

April 17th, 1939.

2. It is not in our national interest to allow China to disappear from the political map nor to allow that country to suffer economic absorption by Japan or any other country.

3. While England is engaged in Europe it is not to our national interest to allow Japan to occupy the ports of China, swallow the adjacent islands and fence in the man power and material resources of that part of the world.

4. If so, we shall always regret such a negative policy. We have to consider our affinity, cultural or ancestral, with Britain, Holland, France and our direct concern with their destinies.

5. Our consequent abandonment of the Philippines would always be regarded as a sign of national weakness.

6. The fate of the British peoples in the Southern seas cannot be separated from the effect of a predominant Oriental power.

But what is our alternative? What will we gain by an abstention policy?

1. We must maintain two big navies, the cost of which with other modern armament means bankruptcy for this or any other country.

2. No country ever gained respect or strength by retreat before a militant potential enemy.

3. Isolation means unnecessary preparedness, costly beyond all reason, less security, more national anxiety.

4. Association with like-minded countries is common sense, less costly and affords greater feeling of national security.

5. National strength or power to conquer or defend comes from the feeling, spirit or will to act of a people, not from mere great area or large population.

6. Nations fight, expand, declare war, maintain war, whether rich or poor.

0268

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

To the President

-4-

April 17th, 1939.

7. It is folly to base national security on the assumption that another nation having conflicting interests will not covertly or openly prove hostile.

Japan's motivation at bottom is growing population. Her small tillable and congenial area hardens the problem. Apart from scientific birth control, which is afar off, the only practical solvent, even if temporary, is further industrialization or large-scale emigration.

Where will the surplus go?

That question directly challenges us who live on the Pacific Slope. Our fellow citizens elsewhere may ignore it or water it down. But to us who live on the Rim the answer is vital.

Of all regions most open, available and at the same time best adapted to Japanese settlement and satisfactory Japanese life, our entire West Coast including Aleutian Islands, Alaska shore line and Canadian water front, down to Mexico, offers the highest premium. Why? Japanese people cannot be driven in large numbers, any more than American or British people, where they don't want to go, to cold or tropical countries for actual settlement. Nor will they go to populous regions where they meet for them a losing competition. Even if they should go to Central and South America, our people would make known their objections.

I include the British seaboard in the area most attractive and harmonious to prospective imperial Japanese settlement purposes. Fifty or so years ago the British started and intended a naval base at Esquimaux. Later we started a naval base at Bremerton. Thereupon the British wisely quit expansion at Esquimaux and later turned their attention to Singapore.

Our policy changed in that Bremerton is now only a naval station or big repair shop. But in any case the Canadian Pacific littoral as to all Pacific Ocean troubles falls within our range of action.

Now, while we stand idly by, and to the extent China is prostrated and divided, Russian power on the Pacific smothered out, England, France and Holland shooed away from their East Asian possessions, the Empire of Japan looms ever larger and stronger; and when our turn comes to settle accounts with that Empire we shall have to go at it, without allies, on foot and alone. And if we win the war, many will follow.

0269

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

To the President

-5-

April 17th, 1939.

Such are a few alternatives to an affirmative effort towards a policy of peace and security with Japan.

I venture to state the situation of Japan and our country to be like that of a man on a tight rope: He may fall either side. We have it in our hands just now to keep the peace with honor to ourselves and greater safety to the rest of the world. Or if we drift on, the present current will set us at war. And many wars will follow if the main causes of war between us and Japan are not settled once for all. These causes are assumed racial inferiority, military inequality, economic restrictions.

A war to us means much more than to Oriental countries. They do not mind loss of life, or rather they can replace man power faster than we can. Besides our after-war bills for pensions and other outlays are heavier.

A policy of drift, Mr. President, means, as I see it, a head-on collision. A policy of isolation as to Asia means as it does in respect to Europe, that we will face inevitable war without either natural or logical allies, and face it after unbounded expenditures to convert a vain theory of security into an impossible fact. For in a moving world there is neither isolation nor neutrality. In a warlike world each is a wish, not a reality.

On the frontier once, when horse thieves got numerous, I remember my father joined a vigilance committee and carried his gun on night patrol.

In a war-making world the cheaper, safer, more effectual national defense comes from proper reciprocal collective action.

The participants in the suggested conference should meet on terms of frank equality.

The agenda should include tariff and resources considerations and extension of Secretary Hull's live and help live treaty principles. Political boundaries have less attraction to countries among which is economic freedom.

Future conferences should stress the living conditions and requirements of each high contracting party.

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

To the President

-6-

April 17th, 1939.

Mutual trade and commerce has alone brought modern life to its present highest standard and will alone perpetuate it.

It is not for me to furnish an agenda for such a conference. However, I doubt the wisdom of a cut and dried program of one or two specified and limited questions. Still, reasonable bounds should be set, not have a free-for-all. The main thing, the salt of it, should be the desire of all parties for a frank, honest conference in the interest of settled peace. Even if it failed, matters could be no worse.

Since we ran away from Europe (or tried to); since we abandoned the League (mostly our own creation) after the war, when we were most needed, our country should at least offer something as good, if not better.

It is absolute folly for us to stand alone.

Finally, it must be admitted that even conferences and mutual adjustments will not set at rest the population problem of Japan or of any country. This remains a present insoluble matter for time, the Great Physician, to dispose of.

In days to come I have no doubt racial prejudice, color discrimination, religious bigotry will pass away as hindrances to mutual understanding, progress and justice.

Meanwhile, our generation must do our best for the present and discharge our further duty to leave living conditions ever better for our descendants.

Austin E. Griffiths
 Austin E. Griffiths

AEG:JW

0271

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

AUSTIN E. GRIFFITHS
LAWYER
DEXTER HORTON BUILDING
MAIN 2169

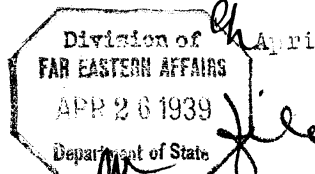
1939 APR 24 AM 10 56

SEATTLE, WASHINGTON

93.94/

COMMUNICATIONS
AND RECORDS

The Secretary of State
Washington, D. C.



April 20th, 1939.

April 28 1939

Re: FE 600.0031 -- World Program
Griffiths, Austin E.

Dear Mr. Secretary:

I have your cordial letter of 13th instant under the signature of your Mr. Hamilton saying my letter to the President, of date March 27th last, had been referred to your department.

On the 17th instant I ventured to address to the President another letter more in detail by way of support of the letter of March 27th. In this second letter some of the reasons and motives which prompted me to write to the President of the Far East situation, and particularly our present unsatisfactory relations with Japan, are set forth.

I presume the second letter will be referred to your department but in the event that should not be done and because of your special personal and official concern in this subject, I take the liberty of enclosing herein a copy of the second letter.

A very outstanding precedent, although not on all fours, is found in the action of President Theodore Roosevelt in respect to the war between Russia and Japan. Also any initiative of the President may well be grounded upon the second Hague or 1909 Treaty or Convention, as well as upon the Kellogg Pact, plus our late treaties with Japan, China, and other powers with respect to Chinese affairs, plus the moral sanction to such an initiative afforded by the Covenants of the League of Nations, all in addition to what I believe a great power like ourselves should do voluntarily in our own interest, and also for general world welfare.

I beg also to enclose a clipping of today's date from the Seattle Post-Intelligencer in relation to Italy and the Versailles Treaty. However, I did not make the cartoon

600-0031 WORLD PROGRAM/363

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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 O. Gustafson NARS, Date 12-18-75

The Secretary of State


-2-

April 20th, 1939.

appearing above the letter.

I beg to remain,

Yours very sincerely,


Austin E. Griffiths

AEG:JW

✓ 2 encls.

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

April 17th, 1939.

To the President
 Washington, D. C.

Dear Mr. President:

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Please regard this letter as supporting that suggestion.

For many years I have lived on the Coast and I expect my descendants to continue here for centuries to come. Naturally I desire them to dwell under their own vine and fig tree in peace and security. Personally I desire to do what I can to avert the usual futilism of recurrent war.

Since my letter the Japanese have taken the Spratly Islands. Also the press reported a feeler put out by that country towards a Pacific Ocean conference. Europe is more intensely occupied.

Unless matters are deftly handled sparks from Europe will spread the present Asiatic fire.

Since California passed its anti-alien land laws with anti-alien school talk mainly intended against the Japanese inhabitants;

Since the Federal quota law was passed excluding Japanese people from it;

Previous good feeling and neighborly attitude between our country and Japan have gone from bad to worse.

Concerning the quota exclusion act I wrote President Coolidge asking him to veto the act in the public interest, and if possible have a substituted law allow Orientals a nominal quota. Later, when in Washington, I saw Mr. Shouse as to my letter. He said the President disliked the Oriental quota exclusion and that he would veto the bill, if he had assurance

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

To the President

-2-

April 17th, 1939.

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However, prudence will not intensify exclusion on economic grounds by racial prejudice. That, I fear, has been done by our present act.

Regardless of causes Japan is fast going into the Totalitarian camp.

But I am certain the bulk of the people are democratic in aspiration. I am certain they would prefer association with the United States and the liberal countries of Western Europe.

Nor do I believe it is too late for this country to take the initiative to restore and keep the peace of the Pacific.

Indeed, I believe America should act at once to this end and for many reasons human and national.

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

To the President

-3-

April 17th, 1939.

2. It is not in our national interest to allow China to disappear from the political map nor to allow that country to suffer economic absorption by Japan or any other country.

3. While England is engaged in Europe it is not to our national interest to allow Japan to occupy the ports of China, swallow the adjacent islands and fence in the man power and material resources of that part of the world.

4. If so, we shall always regret such a negative policy. We have to consider our affinity, cultural or ancestral, with Britain, Holland, France and our direct concern with their destinies.

5. Our consequent abandonment of the Philippines would always be regarded as a sign of national weakness.

6. The fate of the British peoples in the Southern seas cannot be separated from the effect of a predominant Oriental power.

But what is our alternative? What will we gain by an abstention policy?

1. We must maintain two big navies, the cost of which with other modern armament means bankruptcy for this or any other country.

2. No country ever gained respect or strength by retreat before a militant potential enemy.

3. Isolation means unnecessary preparedness, costly beyond all reason, less security, more national anxiety.

4. Association with like-minded countries is common sense, less costly and affords greater feeling of national security.

5. National strength or power to conquer or defend comes from the feeling, spirit or will to act of a people, not from mere great area or large population.

6. Nations fight, expand, declare war, maintain war, whether rich or poor.

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

To the President

-4-

April 17th, 1939.

7. It is folly to base national security on the assumption that another nation having conflicting interests will not covertly or openly prove hostile.

Japan's motivation at bottom is growing population. Her small tillable and congenial area hardens the problem. Apart from scientific birth control, which is afar off, the only practical solvent, even if temporary, is further industrialization or large-scale emigration.

Where will the surplus go?

That question directly challenges us who live on the Pacific Slope. Our fellow citizens elsewhere may ignore it or water it down. But to us who live on the Rim the answer is vital.

Of all regions most open, available and at the same time best adapted to Japanese settlement and satisfactory Japanese life, our entire West Coast including Aleutian Islands, Alaska shore line and Canadian water front, down to Mexico, offers the highest premium. Why? Japanese people cannot be driven in large numbers, any more than American or British people, where they don't want to go, to cold or tropical countries for actual settlement. Nor will they go to populous regions where they meet for them a losing competition. Even if they should go to Central and South America, our people would make known their objections.

I include the British seaboard in the area most attractive and harmonious to prospective imperial Japanese settlement purposes. Fifty or so years ago the British started and intended a naval base at Esquimaux. Later we started a naval base at Bremerton. Thereupon the British wisely quit expansion at Esquimaux and later turned their attention to Singapore.

Our policy changed in that Bremerton is now only a naval station or big repair shop. But in any case the Canadian Pacific littoral as to all Pacific Ocean troubles falls within our range of action.

Now, while we stand idly by, and to the extent China is prostrated and divided, Russian power on the Pacific smothered out, England, France and Holland shooed away from their East Asian possessions, the Empire of Japan looms ever larger and stronger; and when our turn comes to settle accounts with that Empire we shall have to go at it, without allies, on foot and alone. And if we win the war, many will follow.

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

To the President

-5-

April 17th, 1939.

Such are a few alternatives to an affirmative effort towards a policy of peace and security with Japan.

I venture to state the situation of Japan and our country to be like that of a man on a tight rope: He may fall either side. We have it in our hands just now to keep the peace with honor to ourselves and greater safety to the rest of the world. Or if we drift on, the present current will set us at war. And many wars will follow if the main causes of war between us and Japan are not settled once for all. These causes are assumed racial inferiority, military inequality, economic restrictions.

A war to us means much more than to Oriental countries. They do not mind loss of life, or rather they can replace man power faster than we can. Besides our after-war bills for pensions and other outlays are heavier.

A policy of drift, Mr. President, means, as I see it, a head-on collision. A policy of isolation as to Asia means as it does in respect to Europe, that we will face inevitable war without either natural or logical allies, and face it after unbounded expenditures to convert a vain theory of security into an impossible fact. For in a moving world there is neither isolation nor neutrality. In a warlike world each is a wish, not a reality.

On the frontier once, when horse thieves got numerous, I remember my father joined a vigilance committee and carried his gun on night patrol.

In a war-making world the cheaper, safer, more effectual national defense comes from proper reciprocal collective action.

The participants in the suggested conference should meet on terms of frank equality.

The agenda should include tariff and resources considerations and extension of Secretary Hull's live and help live treaty principles. Political boundaries have less attraction to countries among which is economic freedom.

Future conferences should stress the living conditions and requirements of each high contracting party.

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

To the President

-6-

April 17th, 1939.

Mutual trade and commerce has alone brought modern life to its present highest standard and will alone perpetuate it.

It is not for me to furnish an agenda for such a conference. However, I doubt the wisdom of a cut and dried program of one or two specified and limited questions. Still, reasonable bounds should be set, not have a free-for-all. The main thing, the salt of it, should be the desire of all parties for a frank, honest conference in the interest of settled peace. Even if it failed, matters could be no worse.

Since we ran away from Europe (or tried to); since we abandoned the League (mostly our own creation) after the war, when we were most needed, our country should at least offer something as good, if not better.

It is absolute folly for us to stand alone.

Finally, it must be admitted that even conferences and mutual adjustments will not set at rest the population problem of Japan or of any country. This remains a present insoluble matter for time, the Great Physician, to dispose of.

In days to come I have no doubt racial prejudice, color discrimination, religious bigotry will pass away as hindrances to mutual understanding, progress and justice.

Meanwhile, our generation must do our best for the present and discharge our further duty to leave living conditions ever better for our descendants.

Austin E. Griffiths

Austin E. Griffiths

Seattle

AEG:JW

0 2 7 8

H TRUTH=JUSTICE

Poland, Zion Lutheran Church. Friday's text will be suggested by the Rev. Rodney A. Sundberg, Auditorium Evangelical Church.)

—THE— MARCH OF EVENTS

—ROOSEVELT'S— BUSINESS PROGRAM

A political cartoon by Capra. A large, muscular man with a determined, almost angry expression is wading through a body of water. He is wearing a dark cap and a loincloth. On his chest is a sign that reads "MUSSOLINI'S COLONIAL DEMANDS". He holds a long stick or pole in his right hand. The water is depicted with splashing lines and contains a sign that reads "MEDITERRANEAN". Below this, another sign reads "STIFFENED FRENCH RESISTANCE". The background features bare, leafless trees on the left and a dark, stormy sky with heavy clouds on the right. The artist's signature "CAPRA" is visible in the bottom left corner.

ITALY'S GAIN

AUSTIN E. GRIFFITHS.

"Shrines" in Eng
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greatest poets
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0281

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

April 28 1939

In reply refer to
FE 600.0031 World Program/383,384

My dear Mr. Griffiths:

The receipt is acknowledged of your letter of April 20, 1939, with its enclosures, and, by reference from the White House, of your letter of April 17, 1939, addressed to the President, with further reference to your suggestion that there be called an economic political conference in connection with the situation in the Far East.

The views expressed in your letters have been noted with interest.

Sincerely yours,

For the Secretary of State:

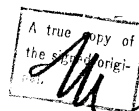
M. M. Hamilton
Maxwell M. Hamilton
Chief
Division of Far Eastern Affairs

APR 28 1939 PM

Mr. Austin E. Griffiths,
Dexter Horton Building,
Seattle, Washington.

E. G. C.
FE:EGC:HJN
4/28

FE
FE



F.W. 600.0031 WORLD PROGRAM/383
793.94/14983

F/FG
AMS

028

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

TELEGRAM RECEIVED

LEGAL ADVISER
MAY 19 1939
DEPARTMENT OF STATE

EDA

1-1338

This telegram must be closely paraphrased before being communicated to anyone (BR)

FROM FOOCHOW VIA N.R.

Dated May 10, 1939

Received 1:40 p.m.

Secretary of State

Washington

May 10, 3 p.m.

Division of
FAR EASTERN AFFAIRS
MAY 11 1939
Department of State

in paraphrase
COPIES SENT TO
GEN. AND M.I.D.
in Confidence DT

Thirty bombs dropped in two air raids here May 8 caused yuan 250,000 damage according to latest reports and machine gunning resulted in twenty casualties. Machine guns were also used on the new electric power plant causing damage that cut off electricity until an hour ago.

A telegram from an American at Yenping states that bombs dropped near Methodist Mission residences but American lives and property unharmed.

I am officially informed that eighteen Japanese planes bombed Yungan the present provincial capital May 9 and 15 bombers attacked Chuan-chow the same day where many are reported killed.

Sent to Peiping, repeated to Chungking, Shanghai.

ROWE

CSB

793.94/14984

F/FG

793.94

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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. Gustafson NARS, Date 12-18-75

Confidential

CONFIDENTIAL

P A R A P H R A S E

A telegram of May 10, 1939, from the American Consulate at Foochow reads substantially as follows:

On May 9, fifteen Japanese bombing planes attacked Chuanchow where many are reported killed and on the same day Yungan (the present capital of Fukien Province) was bombed by eighteen Japanese planes, according to official information received by the Consulate. According to a telegram from an American at Yenping, American lives and property there were not injured although bombs fell near Methodist Mission residences.

On May 8, according to latest reports, damage to the amount of 250,000 yuan resulted from thirty bombs dropped during the course of two air raids on Foochow and machine gunning caused twenty casualties. Damage that cut electricity off for two days was caused also by the use of machine guns on the new electric power plant.

793.94/14984

EJC
FE:EGC:HJN
5/11

Ku
FE *new*

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

DOCUMENT FILE

NOTE

SEE 894.00 P.R./136 FOR #3826

FROM Japan (Grew) DATED April 12, 1939
 TO NAME 1-1127 070

REGARDING: Sino-Japanese relations: developments for March, 1939

793.94/14985

14985

(b) China.

1. International Settlement at Shanghai.

793.94
(17-23)

The agitation that was aroused in Japan during February over terroristic activities in Shanghai and over the negotiations in regard to such activities between the Japanese authorities and the Shanghai Municipal Council subsided in March. With the reports that an understanding had been reached between the Japanese authorities at the beginning of the month under review, public attention was turned to other matters. The last editorials appearing in the press concerning the understanding generally concluded with expressions of opinion that there still remained for Japan the problem of seeing to it that the agreement for the policing of the Settlement and for the control of the anti-Japanese elements in Shanghai be effectively carried out and that the agreement might be only a temporary expedient and not a fundamental solution.

Throughout the whole public discussion in Japan of the situation at Shanghai the issue that had been raised between
the

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

-20-

the Japanese authorities and the Shanghai Municipal Council was only presented, as was to be expected, from the Japanese point of view and no reference was made to the contentions of the Municipal Council authorities as regards the extent to which the lawlessness in the districts outside of the Settlement had contributed to the acts of terrorism within its confines.

2. Military Operations.

The first major military operations which had occurred since the termination of the Japanese campaigns against Hankow and Canton last fall were begun in the middle of the month in large scale drives on Nanchang and Wuning in northern Kiangsi Province. On the Siao River front the Japanese drive opened on March 20 against Wuning. Two days later the Japanese drive southward along the railway to Nanchang was started. On March 27 the Japanese forces occupied Nanchang and on March 29 Wuning was also reported to have been captured. It was understood that in both these campaigns, particularly that on Wuning where the Chinese had put up a very strong resistance, heavy fighting between the contending forces took place.

During the last few days of the month it was also reported that the Japanese had launched new military operations in the Canton area in South China and that Kongmoon on the west bank of the Pearl River delta was occupied on March 30.

In the earlier part of the month a Japanese campaign to the north and northwest of Hankow towards the Han River was undertaken and it was reported that by the middle of the month Japanese forces had captured Kiukow and Anlu on the Han River thus extending a salient to within less than 100 miles from Ichang to the west

and

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

and less than 80 miles from Siangyang to the north. Reports were also received that fighting occurred between Japanese units and guerrilla bands in various other sections of Japanese-occupied areas of China. In Shansi the Japanese launched a campaign to the northwest of Taiyuan and captured Tsinglo; in Hopei the campaign against the guerrillas in the central part of that Province was understood to have been completed and the Chinese guerrilla leaders believed to have fled to Shensi; in Kiangsu, Hwaiyan on the Grand Canal and Haichow at the old mouth of the Yellow River were captured, while Fowning on the Shehyang River was also occupied. Bombing by Japanese military and naval units continued throughout the month and raids were made on a number of centers in Shensi Province, on Lanchow, Kansu Province, on Chengchow and other towns in north Honan and along the Chekiang-Kiangsi railway and on various towns in Kiangsi.

Considerable significance was given to the capture of Nanchang and Wuning in Japan. It is understood that the objective of the campaign was in a large part to cut the supply route from west China to the eastern provinces of Kiangsi and Chekiang and that with the fall of Nanchang at the head of the Chekiang-Kiangsi Railway, which railway extends to Hsioshan on Hengchow Bay, the Japanese have effectively disrupted this route.*

From an economic point of view the occupation of Nanchang was also held to be very valuable inasmuch as the province of Kiangsi is understood to produce approximately 80 per cent of tungsten ore found in China. As China produces about 90 per cent of the world's supply of tungsten Japan is held to have thereby gained control of this product which forms an essential alloy in the manufacture of many high-grade metal products.

3.

*Prepared with the assistance of the Office of the Military Attaché.

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

-22-

3. General Relations.

It was officially announced on March 10 that the establishment in China of the liaison offices of the Asia Promotion Board -- the Governmental bureau set up in Japan last autumn for the control of Sino-Japanese relations -- had been authorized as follows: the North China Liaison Office at Peiping to be in charge of the areas under the jurisdiction of the "Provisional Government of the Republic of China"; the Mongolian Liaison Office at Kalgan to control the area under the jurisdiction of the "Inner Mongolia Federated Committee"; the Central China Liaison Office at Shanghai to be in charge of the area under the jurisdiction of the "Reformed Government of China"; the Amoy Liaison Office at Amoy to have jurisdiction of the Island of Amoy and its vicinity; and the Tsingtao Branch of the North China Liaison Office at Tsingtao to control the area under the jurisdiction of the special metropolitan police board of Tsingtao.*

Although no other concrete measures were taken during the month in regard to Japan's political relations with the Japanese occupied areas in China nor in regard to the rumored establishment of a central government for those areas, several statements were reported to have been made concerning these matters by Government Ministers in reply to interpellations in the Diet. On March 11 the War Minister is reported to have said that the activities of such men as Wang Ching-wei and Wu Pei-fu were giving rise to an atmosphere favorable to the formation of a new Central régime and that from this he did not think that the establishment of a new Government was far off. Referring to the same question of a new central régime, the Foreign Minister is reported to have stated in effect that the separate governments with different systems have been established in various areas in China.

*Embassy's despatch No. 3786, March 29, 1939.

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

-13-

China and that Japan "must recognize the local variations in these régimes", but that a single central government was necessary to keep contact with the independent local régimes, and that he did not think that it would be difficult for the central Government when it is established to maintain control over them.

On another occasion the Foreign Minister, in reply to a question in the Diet whether it was not desirable for Japan to act for China in regard to China's foreign affairs until a new régime was established to take them over, is reported to have stated that as Japan's position as the stabilizing force of East Asia is incontestible it is much to be desired that third Powers consult Japan with regard to relations in China, but that as the construction of the new order in East Asia means the formation of a confederacy of three nations mutually interdependent, Japan entertains no notion of taking over the entire foreign relations of China. He further observed that as Japan is the "elder brother" it would be necessary for Japan to exercise guidance over the "younger".

0285

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

793.94

DOCUMENT FILE

NOTE

SEE 890.00/143 FOR Memorandum

State Department
Far Eastern Division
FROM (Salisbury) DATED May 4, 1939.
TO NAME 1-1127 ***

REGARDING: Situation in the Far East: Sino-Japanese conflict.
Developments for the past week, in review.

793.94/14986

FRG.

14986

File No. .

ENCLOSURE	CHARGE TO—
10311-10313	FF Sprague
10110	LE English
14199	CO
14846	FE Ward
14951	FE Hamilton
14987	FE (J KP)

CHARGE SLIP

793.94

DATE	CLERK'S INITIALS	REMARKS
6/10/38	W13	
3/20/39	W13	
4-9-39	W	W 894.24/636
9/18/39	W13	
6/21/40	W13	
6-8-39	SW	

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

0290

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

REB

TELEGRAM RECEIVED

This telegram must be _____
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

PEIPING VIA N.R.

FROM Dated May 10, 1939

Rec'd 2:45 p. m.

Secretary of State,
 Washington.

218, May 10, 4 p. m.

According to information received from Chinese

connected with the Hsin Min Hui ("new peoples association"
 an organization of Chinese in the occupied areas devised
 by the Japanese somewhat along the lines of the Chinese
 Kuomintang) the Hsin Min Hui has been instructed by the
 Japanese military authorities in Peiping to postpone
 pending further orders the anti-British mass meetings and
 parades which the society had planned to hold in the near
 future in Peiping, Tientsin, and elsewhere in North China.
 The informants considered these orders as indicating that
 the present anti-British campaign organized by the Japanese
 is opportunistic and is being used by the Japanese as a
 (lever?)
level against the British in various negotiations.

Some foreign observers in Peiping feel that the
 Japanese may possibly relax their present anti-British
 campaign with a view to influencing the British Government

not

793.94/14988

F/FG

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

REB

2-#218, From Peiping, May 10, 4p.m.

not (repeat not) to conclude any comprehensive alliance
with the Soviet Government as the Japanese are reported to
believe that such an alliance would probably adversely
affect Japanese plans and interests in the Far East.

Sent to Chungking, Shanghai. Code text by air mail
to Tokyo.

LOCKHART

NPL

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

CONFIDENTIAL

CONFIDENTIAL

PARAPHRASE

A telegram (no. 218) of May 10, 1939, from the American Embassy at Peiping reads substantially as follows:

As the Japanese are said to feel that any comprehensive alliance between Great Britain and the Soviet Union would be likely to have an adverse effect upon Japan's interests and plans in the Far East, it is the opinion of some observers in Peiping that in order to influence Great Britain not to conclude such an alliance the Japanese may perhaps slacken the anti-British campaign which they are now carrying on.

The Japanese military authorities in Peiping have instructed the Hsin Min Hui to put off until further orders anti-British parades and mass meetings which it had planned to hold soon in various parts of North China, including Tientsin and Peiping. This information was received from Chinese connected with the Hsin Min Hui ("new peoples association") which is an organization of Chinese in the Japanese-occupied areas designed by the Japanese to some extent along the lines of the Kuomintang. These orders were regarded by the informants as showing that the campaign arranged by the Japanese against the British at the present time is opportunistic and that in various negotiations the Japanese are using the campaign as a (lever?) against the British.

89.C.
 FE:EGC:REK
 5/12/39

RK
 FE *pen*

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

A

TELEGRAM RECEIVED

EG 1-1336
 This message must be closely paraphrased before being communicated to anyone. (Br)
 FROM Amoy via N. R.
 Dated May 10, 1939
 Rec'd 7:17 p.m.

Secretary of State, Washington.
 in paraphrase
 CONFIDENTIAL
 J.N.I. AND M.I.D.
 in confidence
 MAY 11 1939
 DEPARTMENT OF STATE
 EASTERN AFFAIRS
 B

15, May 10, 10 a.m.

District around Amoy being bombed by Japanese planes daily commencing on May 7. (?) ELEVEN planes continuously adjacent points from 8 a.m. to 4 p.m., explosions were so close that Consulate doors and windows were badly shaken. No reports have been received of American property damaged although several bombs dropped within one hundred and fifty yards Standard Oil Company installation. Japanese authorities have been informed that Standard Oil Company property plainly marked and that the marking has been verified by me. Six planes are continuing the bombing today. According to all reports casualties and damage not large. Transmitted to Embassy at Chungking, Peiping.

MACVITTY

DDM

795.94/14989

F/FG

443.9
 125.93
 393.15

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

CONFIDENTIAL

CONFIDENTIAL

P A R A P H R A S E

A telegram (no. 15) of May 10, 1939, from the American Consul at Amoy reads substantially as follows:

Beginning on May 7 Japanese airplanes have been bombing the area around Amoy each day. Today (May 10) six planes are keeping up the bombing. Casualties and damage are not great, according to all reports. During continuous bombing of adjacent points from eight in the morning to four in the afternoon, explosions were so near that the windows and doors of the Consulate were shaken badly. Although several bombs fell within 450 feet of the installation of the Standard Oil Company there have been no reports of damage to American property. The Japanese authorities have been informed that the property of the Standard Oil Company is clearly marked and that the Consul has certified the marking.

890
 FE:EGC:REK
 5/12/39

FE
 new

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

15584.

TELEGRAM RECEIVED

EG

1-1338

GRAY

FROM Tokyo

Dated May 11, 1939

Rec'd 6:37 a.m.

Secretary of State,

Washington:

218, May 11, 4 p.m.

Department's 119, May 8, 7 p.m.

One. I called this morning on the Foreign Minister

and made emphatic oral representations against the recent indiscriminate bombings by Japanese forces in China, basing my representations primarily on humanitarian grounds involving the safety of non-combatant civilian population and furthermore on the grounds of the serious risks involved in jeopardizing the lives and property of American nationals both official and private.

Two. The text of my oral statement, a copy of which I left with the Minister, is being sent tonight by air-mail to Shanghai for repetition to the Department by naval radio. *See tel. 219, May 11, 1939 from Tokyo*

Three. The Minister's only comment was the usual formula that every effort was made by the aviators to avoid accidents when bombing military objectives but that he would convey my representations both to the military and naval authorities.

Four.



793.94/14990

F/FG

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

15585

-2- #218, May 11, 4 p.m. from Tokyo

Four. The Minister, with my concurrence, proposes to announce to the press that my visit was to discuss "current American problems in China", it being mutually agreed that the publication here of the precise representations would only serve undesirably to inflame some elements of the army. I told Arita, however, that my Government might feel obliged to give detailed publicity in the United States with a view to satisfying American public opinion.

GREW

GW:WWC

0298

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

DOCUMENT FILE

NOTE

SEE893.102 S/1794..... FORTel # 319. 1pm.....

FROMChina (Chungking)..... (.....Peck.....) DATED May 10, 1939.
TO NAME 1-1127

REGARDING:

Sino-Japanese relations.

Conversation with Minister of Foreign
Affairs, regarding damages suffered
in Chungking due to Japanese bombings
and general situation in that area.

aa

793.94/14991

793.94/14991

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 11, 1939

Search of FE's telegram
file does not reveal any report
from Swatow of the bombing on
May 7 referred to in the attach-
ed telegram, and it is therefore
presumed that damage to American
property if any was inconsequen-
tial.

793.94/14992

FE: ^{RSW}ward

0300

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

TELEGRAM RECEIPT

LEGAL ADVISER
 MAY 12 1939
 DEPARTMENT OF STATE

1W

1-1336

FROM Shanghai via N.R.

Dated May 12, 1939

Rec'd 8:30 a.m.

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

Secretary of State
 Washington

Division of
 EASTERN AFFAIRS
 MAY 12 1939
 Department of State

May 12, 11 a.m.

Letter dated May 11th from the Japanese Consul General at Shanghai states that according to information received from the Japanese naval authorities, units of the naval air force raided Swatow on the 7th at 11 a.m.; that the "aviators released bombs aiming at the buildings in the northeastern section of the city which were marked by a certain information as a military warehouse"; that "they recognized that the bombs hit the objectives"; that "at the same time they recognized a building opposite on the south side of the road with markings indicating the American nationality"; and that "although they were satisfied to witness from aboard the planes that no bombs did hit the American property it is feared that the building might have sustained some shock by the blast of explosion". Sent to Swatow, Chungking, Peiping; airmail to Tokyo.

KLP:DDM

GAUSS

793.94/14992

F/F/G

793.94
 note
 393.115

0301

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

TELEGRAM RECEIVED

1-1236

FROM

RFP

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

Tokyo

Dated May 12, 1939

Rec'd 9:05 a.m.,

Secretary of State,
Washington.

221, May 12, 9 p.m.

Our 218, May 11, 4 p.m.

My British colleague today made strong
representations to the Foreign Minister concerning the
recent bombings of Chungking and other places in China,
and left with the Minister an aide-memoire.

Copies of Craigie's aide-memoire and paraphrase
of his report to London of the interview, as well as
a copy of his latest telegram from the British
Ambassador at Chungking giving details of the bombings
will go to the Department by pouch unless we are otherwise
instructed.

PEG

GREW

793.94/14993

F/FG

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram (no. 221) of May 12, 1939, from the American Ambassador at Tokyo reads substantially as follows:

On May 12, strong representations in regard to the recent bombings of various places in China, including Chungking, were made to the Minister for Foreign Affairs by the British Ambassador who left an aide-mémoire with the Minister.

89C.
FE:EGG:REK
5/12/39

FE
REK

0303

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

PREPARING OFFICE
WILL INDICATE WHETHER
Collect
Charge Department
OR
Charge to
\$

TELEGRAM SENT

5586

Gray
TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTIAL
PLAIN

Department of State

Washington,
May 11, 1939

Name Radio

AMERICAN CONSUL,

SHANGHAI (CHINA).

157 *An Associated*
Press reports under Shanghai date line of May 9
state QUOTE A Japanese spokesman announced today that
Japanese would prevent third-power relief organizations
from supplying food and medicines to Chinese refugees
in cities under attack UNQUOTE and that when asked in
regard to Japanese refusal to permit the landing at
Ningpo of 300 bags of American Red Cross rice and
quantities of medical supplies purchased with American
funds, the spokesman said QUOTE The policy of the
Japanese navy is to prevent the landing of such supplies
UNQUOTE.

Please inform the Department by naval radio in
regard to the situation referred to above.

Hull

rcu
FE:RCM:HJN

FE

PA/H
84
CR *✓*
MAY 11 1939 PM

Enciphered by _____

Sent by operator _____ M., _____, 19____

D. C. R.—No. 60

1-1402 U. S. GOVERNMENT PRINTING OFFICE

793.94/14993A

F/EG

0304

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

DOCUMENT FILE

NOTE

SEE 893.102 ^{Kulangun/132} ~~Amoy~~ 51 FOR Tel #16; 10am
FROM Amoy (MacVitty) DATED May 12, 1939.
TO NAME 1-1127 ***

REGARDING: Killing of Ang Hip Hoon of Amoy Peace Maintenance Committee.
First incident in Settlement; subsequent Japanese measures.

FRG.

793.94 / 14994

14994

0305

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

DOCUMENT FILE

NOTE

SEE 123 J 634/584 FOR Tel. 1327 noon

FROM China (Chungking) (Peck) DATED May 12, 1939
TO XXXXXX NAME 1-1127 ***

REGARDING:

President's letter to General Chiang Kai Shek; advises on April 18, H. H. Kung, President of the Executive Yuan accompanied Peck to personally deliver-. Requests permission to advise General Chiang that the reason for Ambassador Johnson's delayed return is due to his extended visit to American communities to obtain personal knowledge essential to him in the handling of his duties.

✓
McC

793.94 / 14995

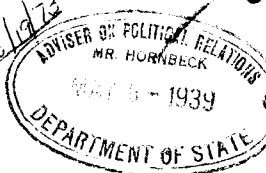
793.94
14995

0306

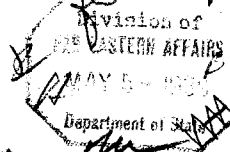
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
 Department of State letter, August 10, 1972
 By Milton D. Bluestein NARS, Date 12-18-75

CONFIDENTIAL

793.94
 E.O. 11652, Sec. 3(E) and 5(D) or (E)
 OSD letter, May 3, 1972
 BY AG NAME Date 3/16/73



2 Digest of Information
 Sino-Japanese Situation
 April 21 -- May 5, 1939



NOTE: Situation map does not accompany this report.

1. MILITARY OPERATIONS.

a. The military situation in China has remained substantially unchanged during the past fortnight.

b. In North China the extensive Chinese attacks against Japanese communications have died down. They have tied up the railroad system, and have forced the commitment of some Japanese reserves, notably an entire brigade at Kaifeng. They have not shaken the Japanese hold on key terrain.

In south Shansi the Japanese 14th Division, reinforced, is reported by the Chinese as endeavoring to clear the right bank of the Yellow River to the north of Loyang and perhaps to force a crossing of the stream.

c. In the Wuhan theater, Japanese regrouping has continued around Yochow, apparently preliminary to a frontal advance on Changsha. No serious operations have been undertaken here as yet.

In central Hupeh a Japanese force estimated at three divisions is advancing north in the zone between the Pinghan railway and Suhsien, a front of approximately 40 miles. This attack apparently is a reaction to Chinese pressure on the north flank of the Han River salient. While heavy, it would seem to have a limited objective.

d. The port of Foochow, Fukien province, has been subjected to continual naval and aerial harassment by the Japanese. There is no evidence of any large scale operation impending in this area.

e. On May 3d Chungking was bombed from the air for the first time since January 15th. Forty-five bombers (estimated) dropped some 40 bombs on the city, starting numerous fires and causing from 500 to 1000 casualties. The raid was repeated on the 4th and apparently resulted in greater destruction and loss of life. To date no Americans have been reported harmed.

2. MISCILLANEOUS.

a. Reliable reports have been received to the effect that construction by the Japanese is practically complete of a railway

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793.94/14996

E/E/G

0307

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

CONFIDENTIAL

out-off linking Kaifeng (Honan) on the Lunghai railway with Hsinhsiang (Honan) on the Pinghan line, thereby establishing a belt line around the Yellow River plain. The new line is said to cross the former bed of the river on a dyke which makes permanent the diversion of the stream to the southeast.

b. The North China currency situation has been marked by the continued depreciation of the Japanese sponsored Federal Reserve Bank notes to a 35% discount in terms of the national yuan. The mandatory exchange measures of the Provisional Government coupled with export restrictions have resulted in what is practically the drying up of foreign exchange. It is understood that the North China authorities are now seeking a satisfactory method of receding from their present position.

This debacle evidently has been appreciated by the Japanese and their agencies in Central China. Steps are being taken there to establish a Hua Hsing bank, destined to perform for the Reformed Government at Nanking the same functions which are discharged for the Provisional Government by the Federal Reserve Bank. However, it has been announced that the Hua Hsing currency will be pegged in terms of the National Government Yuan. Strenuous efforts are being made to secure acceptance of the Hua Hsing currency by the foreign banks at Shanghai; offers have been made to deposit with them complete Central Government currency coverage for notes they may take in. To date, however, the banks are reluctant to do so, as they suspect that impounded Chinese Maritime Customs receipts may be diverted to provide this backing.

c. On May 2d the Japanese military and naval authorities in Shanghai issued a joint statement calling to account the authorities of the International Settlement and of the French Concession for permitting agencies of the Chinese National Government to find shelter and to function within their jurisdictions. The statement was supplemented by oral observations which intimated the possibility of a Japanese occupation of the areas in question. It is understood that this matter subsequently was the subject of Japanese representations in Tokyo to Ambassadors Grew and Craigie.

d. On May 4th semi-official announcement was made in Tokyo that Japan had decided against entering into a military alliance with the Axis powers and that so far as military cooperation with them was concerned she was not prepared to go beyond a strengthening of the anti-Comintern pact. The announcement had been preceded by a prolonged series of conferences involving the cabinet and the inner council of five ministers. In the opinion of our embassy at Tokyo the position enunciated is logical and was to be expected.

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0308

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

CONFIDENTIAL

COMMENT.

The definition at this time of Japan's stand vis-a-vis the Axis probably resulted from German pressure to secure a measure of alignment for announcement in Hitler's speech of April 28th. The stand taken obviously is most welcome to Great Britain and in consequence rumors have arisen that British concessions or good offices, such as mediation in China, are involved. So far as effective mediation is concerned, the obstacles inherent in the situation would seem to be practically insurmountable at the present time. The Japanese position was taken concurrently with the decided increase in the general fluidity of the European situation and prior to the elimination of Litvinov. In consequence it cannot be regarded as being permanent, even if the opportunistic character of Japanese policy were disregarded. However, Japanese appreciation of the fact that the Axis powers can not offer Japan the effective economic or financial support which is her greatest need would seem to be an important stabilizing factor. Probably the most important tendency to be noted in connection with this development is the accentuation of the influence of European conditions on the Far East.

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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. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

CJ

A portion of this tele- CHUNGKING via NR
gram must be closely
paraphrase before being
communicated to anyone.
(br) *in paraphrase*

FROM

Dated May 13, 1939

Received 9 a.m.

LEGAL ADVISER
MAY 19 1939
DEPARTMENT OF STATE

in confidence
Secretary of State, *BT*
Washington.

328, May 13, 9 a.m.

(GRAY) Twenty-seven Japanese planes yesterday

evening at 7 o'clock bombed that section of Chungking
north of the Kialing river known as Kiangpeh. A few
bombs were dropped on the south bank of the Yangtze
in the vicinity of the French naval headquarters
(approximately one and one half miles down river from
the Embassy), destroying a structure on the site of
William Hunt and Company. No bombs landed in the city
proper. (END GRAY)

Casualties and extent of property losses are un-
known but it would appear that the raid accomplished
slight results.

(GRAY) Sent to Hong Kong. Repeated to Peiping
and Shanghai. Hong Kong please inform William Hunt of
property loss.

PECK

PEG

793.94/14997

F/F/G

0310

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

Confidential

CONFIDENTIAL

P A R A P H R A S E

A telegram (no. 328) of May 13, 1939, from the American Embassy at Chungking reads substantially as follows:

It would seem that the air raid which was made by 27 Japanese planes at seven o'clock on the evening of May 12 on that section of Chungking north of the Kialing River known as Kiangpeh accomplished little, although the extent of the property losses and the number of casualties are not known. A few bombs were dropped on the south bank of the Yangtze River in the vicinity of the French naval headquarters (approximately one and one-half miles down river from the Embassy), destroying a structure on the site of William Hunt and Company. No bombs landed in the city proper.

793.94/14997

FE:EGG:HJN
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0311

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

15587

RFP

TELEGRAM RECEIVED

Shanghai via N. R.

1-1336

FROM

Dated May 13, 1939

Rec'd 10:40 a.m.

Secretary of State
 Washington

379. May 13, 11 a.m.

COPIES SENT TO
 ONE AND ONLY
 DT

Division of
 FAR EASTERN AFFAIRS
 MAY 15 1939
 Department of State

793.94
 note
 893.02
 Ku

Reference Japanese occupation of Kulangsu. This development was discussed at Japanese press conference here yesterday evening. Following is account of discussion appearing in NORTH CHINA DAILY NEWS "the occupation of Kulangsu. The spokesman stressed that the commander of the local Japanese fleet was on the island at the time of the attempted murder and he had to be protected. Further the Japanese on previous occasions had made representations to the Kulangsu Municipal Council regarding the suppression of anti-Japanese activities but the authorities had done nothing. Question whether the occupation was temporary the spokesman said that he personally believed that such was the case but 'unless the K M C takes adequate measures to meet their demands the landing party may be forced to remain there'. In that case he added the issue would become more complicated. 'Is one to expect the occupation of the International Settlement of Shanghai' asked a correspondent to which it was replied that it might be necessary if

FILED
 AUG 22 1939

793.94/14998

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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 O. Gustafson NARS, Date 12-18-75

15588

WAB RFP -2- #379, May 13, 11 a.m. from Shanghai via N. R.
a grave case arose. Another correspondent interjected
'including the sectors ^{Manned} ~~massed~~ by foreign troops'. That
would depend on the circumstances at the time it was
stated but the spokesman added that he preferred not
to discuss the issue." Repeated to Chungking, Peiping,
air mail to Tokyo.

GAUSS

CSB

031

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

TELEGRAM RECEIVED

CJ

GRAY

TSINGTAO via N R

FROM Dated May 12, 1939

Received 7:35 a.m., 13th

Secretary of State,
Washington.

101, May 12, 11 a.m.

One. The chief of the Tsingtao branch of the Asia Affairs Board outlined conditions of policy in lengthy statement appearing in press today. Besides the establishment of "new order" the policy includes "exploitation of the natural resources of China and the establishment of new industries in such ^{a way} ~~fetter~~ ^{as to} ~~of~~ bring about welfare of the people and release China from its fetters of quasi-colonial conditions in its economic life." Also a revival of a profound national culture in China characteristic of the oriental type.

Two. The statements refer to a policy of maintaining "a just and equitable attitude by respecting, as far as circumstances permit, the rights and interests of third powers in China". However, "a new state both politically and economically has now come into existence and also that it should adopt certain measures suited



793.9-1/14999

F/HG

0314

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

-2- #101, May 12, 11 a.m., from Tsingtao via N R

suited to such new conditions including unavoidable restrictions in spheres having a vital bearing" on the "maintenance of national defense and economic independence. If the powers, therefore, will formulate policies adapted to these new conditions Japan will be glad to cooperate".

Three. Appreciation is expressed for friendly tone of a number of powers as shown, for example, by refusal such powers to furnish military supplies to China and by withdrawal of military advisers. The statement is made that diplomatic negotiations with other countries do not come within the jurisdiction of Board, and that there will be no change as to consular procedure; however, close contact will be maintained by Board with latter military and consular authorities.

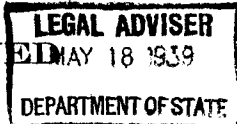
To Chungking, Peiping, by mail to Tokyo:

SOKOBIN

CSB

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

TELEGRAM RECEIVED



CA

1-1336

FROM

Plain

SWATOW VIA N R

Dated May 14, 1939

Rec'd 4:05 p.m.

Secretary of State

Washington

11, May 14, 6 p.m.

During three air raids today three Japanese naval planes dropped eleven bombs on western section of Swatow and machine gunned harbor craft flying very low near H.M.S. FOLKSTONE and U.S.S. EDSALL. Property damage and casualties not yet ascertained but believed small.

Repeated to Chungking, Peiping.

YOUNG

JRL

793.94/15000

F/FG

031F

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

*Copy sent to
Red Cross*

TELEGRAM RECEIVED

15589

RFP

1-1336

FROM

GRAY

Shanghai via N. R.

Dated May 13, 1939

Rec'd 12:06 p.m.

Secretary of State

Washington

383. May 13, 3 p.m.

Department's 157, May 11, 5 p.m. / 149932

According to a report to other foreign correspondents present at Japanese press conference on May 9th statement carried by Associated Press was not made during conference and did not appear locally; it appears to have been immediately after the conference and only to representative of Associated Press.

At conference this question was raised and a correspondent of United Press states Japanese naval spokesman said "the policy of the Japanese authorities is to prevent the shipment to Chinese areas of any material or goods tending to assist resistance of Chiang Kai Shek regime against Japan". Spokesman is reported to have added, however, that this did not apply to medical supplies unless such supplies contain chemicals which might be used for purposes other than the relief of the sick and wounded.

Referring to the case of the Italian vessel TENBIEN

which

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

Division of
East Asiatic Affairs
MAY 13 1939
Department of State

793.94/15001

F/EG

93.94
893-45
893-24

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

15590

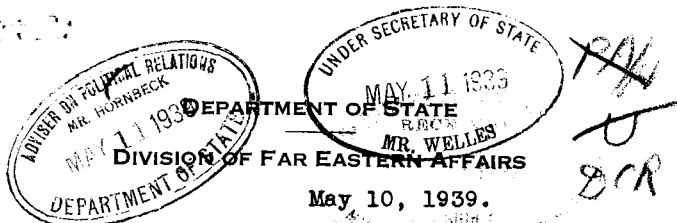
RFP -2- #383, May 13, 3 p.m. from Shanghai via N. R.
which was carrying three hundred bags of wheat and
medical supplies to Ningpo and which was brought back to
Shanghai by the Japanese; the naval spokesman is re-
ported to have said that this case was simply a question
of "Japan's preference that no ships sail for Ningpo or
Wenchow".

Doctor J. E. Baker states that they have not been
experiencing any particular difficulties in shipping
relief supplies to Chinese controlled area or to Japanese
occupied area and in the case of the latter the Japanese
have in some instances actually provided freight charges.
Dr. Baker said also that he had not had the wheat and
other supplies on the TENBIEN unloaded because there was
still a possibility that the vessel might proceed to
Ningpo.

GAUSS

CSB

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



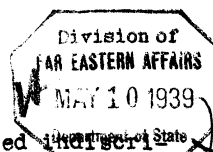
Mr. Tsui of the Chinese Embassy called at his request and left with Mr. Mackay the attached statement under date May 10 in regard to the bombing of Chungking on May 3 and 4 by Japanese planes. Mr. Tsui said that the British Government had "on humanitarian grounds" lodged protests with the Japanese Government in regard to the bombings under reference and, on behalf of the Chinese Ambassador, inquired whether the American Government had also protested to the Japanese Government. Mr. Mackay said that he would look into the matter and mentioned that Mr. Tsui would of course recall the statements repeatedly made by the Secretary in condemnation of the bombing of civilian populations from the air. Mr. Mackay also thanked Mr. Tsui for providing the Department with the information contained in the Chinese Embassy's statement of May 10.

NOTE: It will be recalled that the Department in its telegram no. 119, May 8, 7 p.m., to Tokyo, made known its desire that the Embassy, unless it perceived objection thereto, make to the Japanese Foreign Minister emphatic representations against the recent indiscriminate bombings of civilian populations of Chungking, Swatow, Ningpo and Foochow. The Department has not as yet received from Tokyo an indication whether such representations were made.

rem
 FE:Mackay:EJL

0315

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



On May 3rd and 4th, Japanese planes bombed indiscriminately the City of Chungking. Many incendiary bombs were dropped causing extensive fires and many casualties. Three bombs were dropped on the British Embassy, one exploded and slightly injured one of the secretaries; three bombs were dropped on the British Consulate, none exploded; and two bombs were dropped on the French Consulate, one exploded. Bombs were also dropped in the vicinity of the German Consulate.

The Japanese allegation that the Chinese placed anti-aircraft guns near foreign Embassies and Consulates is entirely groundless. For the safety of foreign nationals, no military works have been erected near foreign Embassies and Consulates. It is apparent that the Japanese fabricate this report with the intention of distorting the truth and evading their responsibility.



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The Chinese Embassy.

May 10, 1939.

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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. Gustafson NARS, Date 12-18-75

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

FILED IN THE CONFIDENTIAL FILE

032

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

*Copy sent to
Treasury in
confidence.*

TELEGRAM RECEIVED *rcw*

EDA

1-1336

FROM GRAY

TSINANFU VIA TSINGTAO
& N.R.

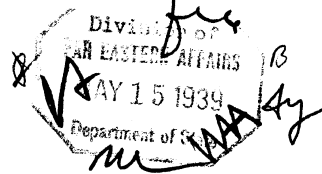
Dated May 10, 1939

Received 8 a.m. 15th

Secretary of State

Washington

22, May 10, 10 a.m.



One. Information from foreign source indicates that units of Eighth Route Army are active as far south as Yih sien Shantung, that their popularity with the masses has not diminished (see my despatch to the Embassy No. 26 file 800 page 5) and that, aside from recruitment of men for active service, they are vitalizing the national feeling and reviving the spirit of resistance among the people generally. Informant who is very close to the Chinese feels that the people in this part of China are more determined to resist than ever before.

Two. While no important Chinese military victory is at present possible in Shantung the Japanese are suffering daily casualties of a few men, particularly in remote and out of the way places. Thus in Yih sien during April casualties of the Japanese garrison totalled 40 killed and wounded including one officer. These losses in the aggregate are considerable in the course

of

793.94/15003

F/F G

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

EDA - 2 - #22, May 10, 10 a.m. from Tsinanfu

of a month. But more important than this loss of man power in the furtherance of China's cause is Japan's inability in view of such resistance, to reduce her military establishment or its concomitant expenditures in Shantung. As reported in my telegram No. 18, April 24, 1 p.m. the Japanese have apparently found it necessary to evacuate many relatively unimportant places previously garrisoned. But there is as yet no evidence of the success of their vigorous efforts to replace Japanese troops in Hsien cities with pro-Japanese Chinese police or militia (see my despatch to the Embassy No. 57 file 801). Upon the success or failure of these efforts the ultimate outcome of Japan's venture in Shantung and North China must largely depend, in the opinion of this Consulate.

Three. There have been persistent rumors of a Chinese military movement from Central and Southern Shantung toward the Tsingtao Tsinanfu Railway and it is believed probable that the Japanese offensive reported in my telegram No. 19, April 28, 5 p.m., were designed to check this movement.

Repeated to Chungking, mailed to Peiping and Tsingtao.

HAWTHORNE

CSB

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

See tel 218, May 11, 1939
From Tokyo 793.94/14990

TELEGRAM RECEIVED

JR

GRAY

1-1326

FROM

Tokyo via Shanghai & N.R.

Dated May 11, 1939

Rec'd 8 a.m., 15th.

Secretary of State,

Washington.

219, May 11, 5 p.m.

On September 20th, 1937, I called on His Excellency

Mr. Hirota, then Minister for Foreign Affairs, and, under the instruction of my Government, I made to him most earnest and emphatic representations with respect to the plan announced at that time by the Japanese naval forces to bomb Nanking. I pointed out and dwelt at length on grave danger to foreign diplomatic establishments, personnel and noncombatants, as well as the serious effect on American public opinion which some accident in connection with those operations would entail.

Two days later, on September 22nd, 1937, again acting under instructions of my Government, I delivered to Mr. Hirota a note number 780 dated September 22nd, 1937, setting forth clearly and succinctly the American Government's views with respect to the announcement of the Japanese naval forces in China of the plan to resort to bombing and other measures of offense in and around the city of Nanking.

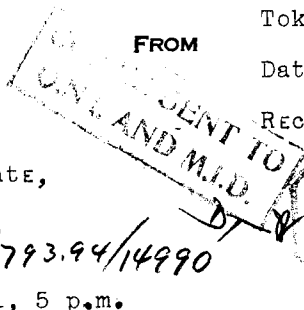
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not
793.94/16

See 793.94/14990



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

-2- #219, May 11, 5 p.m., from Tokyo via Shanghai & N. R.

I have now been instructed by my Government to call on Your Excellency and, primarily on humanitarian grounds, and in reiteration of the representations made on both occasions mentioned, emphatically to exhort the most serious concern at the recent indiscriminate bombings of the civilian populations of Chungking, Swatow, Ningpo and Foochow. According to information reaching my government, the destruction caused by these air raids by the Japanese forces was confined almost entirely to civilian lives and the property of civilians.

Your Excellency is undoubtedly aware of the feeling aroused in the United States by the indiscriminate aerial bombing of the civilian population in various areas in China in the past. I cannot too earnestly impress upon Your Excellency the serious responsibility which devolves upon the authorities charged with the guidance of Japan's foreign relations to restrain the military or naval forces responsible for these indiscriminate bombings from a course which if continued will inevitably create a progressively deplorable reaction in the United States. The American Government and people--let me repeat from previous representations--are and always will be concerned, primarily from the humanitarian point of view, in the mass bombing

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

-3- #219, May 11, 5 p.m., from Tokyo via Shanghai & N. R.

bombing of civilian populations wherever and however carried out.

Added to the humanitarian factor applying to noncombatants generally, there exists the emphatic objection of the American Government to the jeopardizing of the lives of its own nationals which must inevitably arise from such indiscriminate attacks. I need hardly remind Your Excellency of the repeated bombings of American property in China, of which approximately 140 separate instances have come to my Government's attention during the present hostilities, in spite of the fact that these properties were clearly marked by American flags and their positions notified to the Japanese military authorities. Loss of American life, wounds and serious property damage were caused. The fact that during a recent period reports on these attacks on American property dwindled and for a time actually ceased, gave us the hope that effective steps were being taken to meet our representations.

But now, with wholesale bombing operations renewed, I must draw Your Excellency's special attention to the fact that the American Embassy in China is at present appropriately established in Chungking, the seat of government, while American Consulates exist in Swatow and

Foochow

032

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

-4- #219, May 11, 5 p.m., from Tokyo,

Foochow and that private American citizens following their lawful occupations are present both in those places and at other points currently subjected to these indiscriminate attacks from the air. I respectfully point out to Your Excellency the grave risk of incidents which might have a seriously adverse influence upon the relations between our two countries. In saying this I merely state a fact which must be patent to any one having knowledge of the normal reactions of the American Government and people to a given circumstance or set of circumstances. In the light of past experience I would be derelict in duty if I failed to emphasize this risk, and the prime importance of avoiding such risk.

Therefore, both on humanitarian grounds, involving the safety of noncombatant civilian populations, and on the grounds of the serious risks involved in jeopardizing the lives and property of American nationals, both official and private, I earnestly appeal to Your Excellency to take such effective steps as will terminate these indiscriminate bombing operations now current in China.

GREW

KLP

0328

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



May 19, 1939.

Reference Chungking's 332, May 15, 1 p.m.

It will be recalled that when Dr. Stuart went to Hankow last year, allegedly in connection with possible peace negotiations, he was informed, in accordance with the Department's instructions, of the general undesirability of American private citizens' participating in deliberation by "authorities (of foreign countries) with regard to high governmental policies", and the Chinese Minister of Foreign Affairs was informed by Ambassador Johnson that Dr. Stuart was "not acting on behalf of or with the approval of this Government".

It is felt that the Department's attitude toward the political activities of Dr. Stuart has been made amply clear to him and it is therefore suggested that no further approach need be made to him with reference to his recent trip to Chungking.

It is also felt that, in as much as (1) the Chinese Government has already been informed of our attitude toward Stuart's activities, (2) no member of the Embassy staff saw either Stuart or Taylor during the course of their recent visit, and (3) the Embassy appears to have received no official or first-hand information in regard to the visit, no action by this Government vis-a-vis the Chinese Government need be taken in connection with Chungking's telegram under reference.

793.94/15005

FE:Penfield:HES

0329

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

TELEGRAM RECEIVED MAY 19 1939

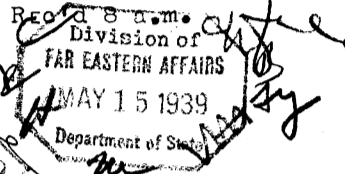


JR
 This telegram must be closely paraphrased before being communicated to anyone. (A)

FROM Chungking via N. R.

Dated May 15, 1939

Secretary of State,
 Washington.



332, May 15, 1 p.m.

The Embassy is informed that Leighton Stuart and George Taylor, both of Yenching University at Peiping, came to Chungking about a week ago expressly to impart to the Generalissimo and other high authorities their concern over recent developments in the Province of Hopoh. They are represented as having stated that the Japanese, as a result of recent vigorous military operations, are now in control of virtually all the important Hsien cities of the central portion of the province; that the Japanese are garrisoning these centers with large forces apparently with a view to holding them indefinitely; and that in their opinion it is imperative for the Chinese to recover these cities this summer, if effective resistance is to be maintained and complete Japanese domination averted. They are reported consequently as having urged immediate intensification of Chinese military activities in Hopoh and to have called attention

793.94/15005

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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. Gustafson NARS, Date 12-18-75

15593

-2- #232, May 15, 1 p.m., from Chungking.

attention to the desirability of uniting the military command, now split between the Central Government and the Eighth Route Army, as a first step in this direction. Taylor is a British subject. He and Stuart have now left Chungking. Neither was seen by any member of the Embassy staff during their visit.

Repeated to Peiping.

PECK

CSB

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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 O. Gustafson NARS, Date 12-18-75

(Confidential)

PARAPHRASE

A telegram (no. 332) of May 15, 1939, from the American Embassy at Chungking reads substantially as follows:

No member of the Embassy staff saw Leighton Stuart and George Taylor, a British subject, (both on the staff of Yenching University at Peiping) when they were in Chungking, having arrived about a week ago for the express purpose of informing high Chinese authorities, including General Chiang Kai-shek, of their anxiety in regard to developments which have taken place recently in Hopeh Province. Stuart and Taylor are said to have stated that, as a result of recent effective military operations, practically all of the important hsien cities in the central part of Hopeh are controlled by the Japanese who are placing large garrisons in these cities evidently with the idea of holding them for an indefinite period of time. Stuart and Taylor are said also to have expressed the belief that if the Chinese are to continue effective resistance and avert entire domination by the Japanese they (the Chinese) will be obliged to regain control of these important centers during the coming summer. For this reason, Stuart and Taylor are said to have urged that Chinese military activities be intensified immediately and to have invited attention to the desirability of uniting, as an initial step in this direction, the military command which at the present time is divided between the Central Government and the Eighth Route Army.

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CONFIDENTIAL

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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. Quate NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 20, 1939.

Chungking's despatch no. 177 of April 17 encloses extracts from a letter written by John Earle Baker. In commenting on Mr. Baker's observations the Embassy expresses the opinion that his impressions are perhaps influenced by the fact that they were gained from conditions observed along the railway where it is not to be doubted that the Japanese are firmly in control.

In connection with a report from foreign observers that Japanese goods are beginning to penetrate into the interior the Embassy expresses the opinion that the most pressing threat to the Chinese in the struggle for control in north China probably lies in the economic field. If Chinese factories cannot supply the demand for goods and Japanese goods continue to penetrate Chinese-controlled areas export products will naturally start to flow into Japanese hands and the eventual attainment of political control by the Japanese will be immeasurably eased.

Mr. Baker's observations are of more than usual interest and you may care to read at least the marked portions of the enclosure.

793.94/15006

FE:Penfield:HES

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

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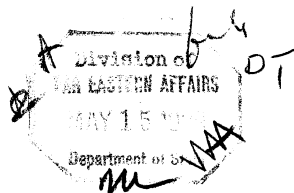
UNITED STATES OF AMERICA

Chungking, April 17, 1939.

No. 177.

Subject: Impression of Conditions in North China.

793.94



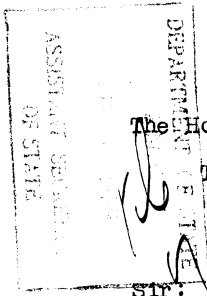
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DIVISION OF
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AND RECORDS

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793.94/15006



The Honorable

The Secretary of State,

Washington.

AUG 1 - 1939

FILED

I have the honor to enclose, as of possible interest

1/ to the Department, extracts from a letter dated March 25, 1939, addressed by Mr. John Earle Baker, an American citizen associated with the China International Famine Relief Commission, to Dr. Arthur N. Young, American adviser to the Chinese Ministry of Finance, in regard to the former's observations and impressions of a recent sojourn in various areas of Hopei and Shantung.

Although

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15006

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

- 2 -

Although the bulk of the information contained in the enclosure is doubtless available to the Department in one form or another, Mr. Baker's observations of the struggle between China and Japan for the support of the populace of North China is believed to be of value.

On the whole, Mr. Baker seems to feel that the Japanese have attained a certain measure of control in Hopei in the past year but observes that the people are not reconciled to Japanese occupation. It is not unlikely that Mr. Baker's impressions were gained from conditions observed along the railways where it is not to be doubted that the Japanese are firmly in control. But if he had penetrated into the interior of Hopei or Shansi, it is extremely doubtful if Mr. Baker would have made the statement that the invaders "hold practically all the hsien cities of Hopei." For, according to information received by the Embassy from various foreign and Chinese sources, large areas of Shansi, Hopei and Shantung remain under Chinese control and are likely to remain so unless the Japanese are able to marshal much larger military forces than has hitherto been the case to drive out the Chinese defenders.

In the opinion of the Embassy the most pressing threat to the Chinese in the struggle for control in North China probably lies in the economic field. A great shortage of the manufactured and semi-manufactured necessities of life obtains in these areas and it is not possible to supply the want from Chinese factories while it is possible for the Japanese to supply the demand. In the circumstances, although the people would prefer to eschew Japanese products, because of their cheapness

cheapness

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

cheapness of Japanese goods, seems to point inevitably to an increase of Japanese imports. If this is the case, export products will naturally start to flow into Japanese hands and conditions will be established for the circulation of the Federal Reserve Bank currency. It naturally follows that if the Japanese are able to consolidate their economic control in these provinces, attainment of political control will be immeasurably eased. In this connection, the Embassy has learned from two independent foreign observers who were recently in Shansi that Japanese goods are beginning to penetrate to the interior-including the areas under the control of the Chinese communists.

Respectfully yours,



Willys R. Peck,
Chargé d'Affaires ad interim.

Enclosure:

1/ Extracts from letter.

Original (by air mail) and four copies to Department.
Copy to Peiping.
Copy to Tokyo.

800

EFD:MCL

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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. Hunt NARS, Date 12-18-75

Enclosure No. 1
To despatch No. 177
Dated April 17, 1939

Extracts from letter of J. E. Baker March 25, 1939

I have just returned from a 16 days absence on a trip which took me to Peking, Tientsin, Tschow, Tsinan and Tsingtau. I am not sure that you will be interested in this report of observations, impressions and conversations, but at least it will help to fix things in my own mind if I write them to some one, -- "and it might as well be you".

I came back from the trip feeling a bit depressed, but the more I think over the fact that the invaders have had nearly two years to do their work, the more I believe that the situation is encouraging rather than the reverse. Yet, it must be admitted that this winter the invaders have been able to enter and hold practically all of the hsien cities of Hopei. If that penetration continues, it is serious. It means that their penetration extends their police as well as fiscal control, and it seriously hampers the guerillas in suppression of cotton culture. Cotton is coming out of the interior in quantity now. But, I am told, the buyers are paying only about half-prices, so there will be little incentive to the farmers to grow cotton next season.

Chinese police and Chinese troops are being used to extend the Japanese forces. For example, at a gate, one Japanese soldier stands in the shelter of the gateway, rifle at "port arms" while four Chinese soldiers placed fan-wise out in the open do the searching, etc. This not only releases Japanese soldiers for combat work, but protects the one left for police duty from snipers. The other side, however, is that when any concerted movement becomes possible, Chinese armed forces are situated so as to be able to complete the debacle, once the Japanese are on the run.

In the cities and along the railway "Federal Reserve Notes" are the only currency permitted. In Taian a missionary lady was searched, her Bank of China notes confiscated and torn to pieces in her presence. The Associated Mission Treasurers here

in

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

-2-

in Shanghai are receiving large amounts of Chinese currency by devious methods, sent in by their constituency who find it now impossible to use it. Even charred portions of bills are being received for redemption, for in some cases the search parties make bon-fires of the confiscated currency. Yet in Peking and Tientsin, Chinese currency is at a premium. The day I was in Tientsin an American dollar would sell for only \$6.15 Chinese but for \$6.70 "Federal Reserve". Outside the cities, guerrillas are shooting persons carrying "Federal Reserve" notes. This situation makes impossible the selling of cash crops by farmers until methods of evasion are worked out. The favored method is for Japanese protected "change" shops to operate just outside of a Japanese occupied market city. Thus the one coming in with currency, changes for Federal Reserve; going out the process is reversed. But in both cases the "change" shop makes a good thing and trade is thereby hampered to that extent. The bankers (foreign) say that the Japanese are not going to be able to make their exchange regulations stick, but that remains to be seen.

While the remains of many wrecks are to be seen along the tracks, wrecks are not so frequent as formerly. Day trains only are being run, and these keep to schedule very well. They are crowded but heated and order is maintained in the cars and at the stations. A great deal of construction of passing tracks, station platforms, water towers, etc. is under way. Much of the track has been recently reballasted, or at least the ballast has been cleaned.

But the old-time jollity among all classes of workers is missing. When I come to analyze it, I believe my feeling of depression was caught from that air of patient restraint with which one is surrounded up there. People must eat; "self-preservation is Heaven's first law", northerners are eating,

but

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

-3-

but they are not reconciled. And that consideration leads me to a little gossip.

Men who talk with the "puppet" officials told me that though the higher-ups for various reasons took service under the Japanese, they are more Chinese than they ever were before; that they are in a position as no one else is to point out to the Japanese the impossibility of much of their program and are doing so; that at some critical time they would be in a position to do the Nationalist government important service if they had any assurance that by so doing they would not lose their heads at Nationalist hands. One man even suggests that as it is necessary to save Japanese face in order to get a withdrawal of Japanese troops, the only way of doing this is for the Nationalist government, when the time comes, to appoint these "puppets" as Governors, etc. -- adding that such action would be perfectly safe, and that it would save the Nationalist Government from the odium which will inevitably attach to the equally inevitable chaos which will immediately follow the withdrawal of Japanese troops.

I talked with one of the newspaper men who was present at the party which Wu Pei-fu gave when he was supposed to accept the Kaifeng position from the Japanese. He told me that Wu definitely laid down the terms that he would accept only if given command of all the troops in the area, and that since Japanese troops would not like to serve under him, it followed that they must withdraw. A Japanese publicity man distributed "handouts" which said something entirely different and tried to have them accepted as Wu's statement, but when these were brought to Wu's attention he definitely repudiated them and stated that he would not see anyone again who published the "hand-out". Domei did publish the "hand-out" but the next day published in Peking, where Wu would see it, a feeble denial.

A man

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

-4-

A man whom you would recognize as a careful conservative told me that a friend, whom he considers absolutely reliable, lives in sight of Changkufeng hill on the Siberian border. That friend states definitely that the Japanese are not in possession of the position, and that improvement work is going forward there under the Russian flag.

The same conservative states that Wang Ke-min states privately that the present Japanese command has until July 15th to make substantial progress in liquidating the war by severely aggressive means; that unless encouraging progress can be made, the Emperor will take a hand to bring about another policy; that the Emperor had such other policy in mind at the beginning of the year but yielded only to strong representations, and assurances by the present command.

Residents of Osaka who recently have visited Shanghai to buy household supplies, and business travellers who have occasion to visit both places, bring us a lurid tale of the explosion in the Osaka arsenal. They state that at least 10,000 workers, etc. were killed, that the entire plant and stocks were destroyed, that an area two miles square has been laid flat, that damage extended over a radius of five miles; that the thing was set off by a Korean patriot. In the words of one man of more than ordinary prominence, "it was worth to China more than victory in ten battles".

A business man of long standing in Tientsin, who thinks the Japanese are in north China to stay, made the observation that the Japanese secondary officers are "the crookedest bunch he'd ever encountered, and you know that old Anfu bunch used to give us something to think about". He says that it is generally believed that the explosion in the ammunition dump there some time ago was for the purpose of covering up a large

shortage

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

-5-

shortage in supplies which had "been sold down country". At Chefoo, while the ship was in port, I took a stroll along the bund. Opposite the C.I.M. school; with my own eyes I saw a Japanese sentry slip a clip of cartridges from the inside of his belt into the sleeve of a tall Chinese whom he was pretending to search. It is quite apparent that the army has gone commercial.

A month ago yesterday, I had tiffin with my long-time Japanese contact. You know he has always been considered one of the most rabid of the militaristically inclined. In the course of two and a half hours he made several interesting remarks, possibly not entirely sincere, but evidencing considerable progress in his thinking, and the effect possibly of recent commercial connections which he has made. Among the more significant of these remarks were, "Neither side will make any large profits out of this war". "The Japanese Government made a mistake in stating that they would not recognize Chiang Kai-shek. They have made him the only figure who could implement any peace terms on the Chinese side". "Both sides will fight on to collapse rather than "lose face" by suggesting a truce to the other side. The only way out is for third powers to mediate, if not intervene. The Japanese government made a mistake in asserting that it would never tolerate interference by third powers".

North Kiangsu is being penetrated by the Japanese right now just as Hopei and Shantung have been. The Chinese troops up there have been mere "eaters" when they were not robbers. There is an impression here and in the north that the armed forces in those areas have looked upon their jobs as a means of livelihood and profit only. Also, there is some impatience with the oft repeated assertion that "Time and our mountains will fight for

us

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

-6-

us". It is felt that there is too much of an attitude of depending upon the people's capacity to suffer rather than to depend upon the army's capacity to protect the people; that time and terrain are considered too much as a pill which one takes on going to bed believing that "it works while one sleeps". Only those in command know whether this criticism is well made. I am merely stating that the criticism is being made. Certainly, if during the wet weather this coming summer, considerable progress is not made in wiping out the Japanese garrisons in these lightly held hsien cities, north China is likely to consider its position finally hopeless, and make its adjustments for survival accordingly.

Meanwhile, Shanghai goes on its accustomed way, several hold-ups and robberies daily, an assassination or two weekly, a fresh attempt on the part of the Japanese to muscle in on the Settlement government monthly.

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

TELEGRAM RECEIVED

CJ

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

FOOCHOW via N R
 FROM

Dated May 15, 1939

Received 12:55 p.m.

Secretary of State,
 Washington.

May 15, 5 p.m.

One. Japanese plane carried out three raids on
 this city today. Damages and casualties believed to
 be relatively slight. There was very heavy bombing
 at Mamoi and Yungan at noon.

The Chinese have shown no resistance yet but
 there are persistent rumors that antiaircraft equipment
 will be used soon.

Ronald Hall, British Consul, left today for
 England via Shanghai and the United States leaving
 Consul E. W. P. Mills in charge.

Sent to Peiping, repeated to Chungking, Shanghai.

ROWE

CSB

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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. Gustafson NARS, Date 12-18-75

Confidential

~~CONFIDENTIAL~~

PARAPHRASE

A telegram of May 15, 1939, from the American Consulate at Foochow reads substantially as follows:

On May 15 the British Consul (Ronald Hall) left by way of Shanghai and the United States for England. The Consulate was left in charge of Consul E.W.P. Mills.

At noon on May 15 Mamoi and Yungan were heavily bombed by Japanese airplanes and the same day there were three air raids on Foochow. It is believed that the casualties and damages in Foochow were comparatively slight. Rumors persist that before long anti-aircraft equipment will be used although as yet the Chinese have shown no resistance.

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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. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REB

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

FROM

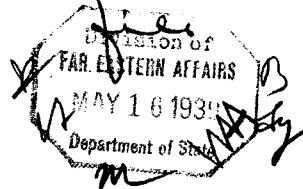
PEIPING VIA N.R.

Dated May 15, 1939

Rec'd 3:22 p. m.

Secretary of State,
 Washington.

May 15, 2 p. m.



Under instructions from the Department it is requested that you prepare and send to the Embassy at Peiping, not later than June 15, separate brief summary reports by mail covering the following matters in the Japanese occupied areas in your consular district for compilation into general reports by the Embassy at Peiping:

(One) Financial conditions (Two) Developments in guerrilla warfare (Three) Rehabilitation work (Four) Japanese control over the occupied areas, either direct or through Japanese dominated Chinese regimes (Five) Communications and (Six) Public utilities.

Sent to Shanghai, Tientsin, Hankow, Canton, Nanking, Tsingtao, Foochow, Swatow, Amoy, Chefoo. Separate instruction to Tsinanfu. Repeated to Department, Chungking for information for the Charge d'Affaires ad Interim.

LOCKHART

JRL
 EMB

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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. Gustafson NARS, Date 12-18-75

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TELEGRAM RECEIVED

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REB

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

DIVISION OF EUROPEAN AFFAIRS
MAY 18 1939
DEPARTMENT OF STATE

in paraphrase
COPIES SENT TO
O.N.I. AND M.I.D.
in strict confidence
DI

PARIS

Dated May 15, 1939

Rec'd 1:25 p. m.

Secretary of State,
Washington.

945, May 15, 6 p. m.

CONFIDENTIAL.

Ch B
Division of FAR EASTERN AFFAIRS
MAY 16 1939
Department of State
me

793.94/15009

LEGER said to me today that he was somewhat fearful that Japan might be thinking of some sort of aggressive action against French Indo-China. Six times in the last week Japanese airplanes had flown over portions of Indo-China and had dropped bombs. The Japanese Government had been informed that any Japanese plane flying over any portion of Indo-China in the future would be shot at immediately. Since this warning no Japanese planes had flown over French Indo-China.

BULLITT

CSB

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

5596

STRICTLY CONFIDENTIAL

(Confidential)

PARAPHRASE

A confidential telegram (no. 945) of May 15, 1939,
from the American Ambassador at Paris reads substantially
as follows:

While talking with the American Ambassador on May 15,
Mr. Leger (a high official of the French Foreign Office)
expressed some apprehension lest the Japanese might be
considering aggressive action of some kind against French
Indochina. Japanese airplanes flew over parts of Indochina
and dropped bombs six times in the past week. The Japanese
Government was told that in future gunfire would be directed
at any Japanese airplane which flew over any section of
Indochina and no Japanese airplanes have flown over French
Indochina since this warning was given.

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793.94/15009

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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. Gustafson NARS, Date 12-18-75

15597 XE

TELEGRAM RECEIVED

EDA

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

CHUNGKING VIA N.R.

Dated May 16, 1939

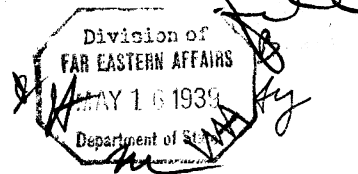
Received 8 a.m.

Secretary of State

Washington

333, May 16, 8 a.m.

CONFIDENTIAL.



93.94

A United Press despatch with date line Washington May 13 published here attributes statement to the Secretary of State concerning oral protest made by the Ambassador to the Japanese Government against bombing of cities including Chungking ending as follows: (GRAY) "Mr. Grew was also instructed to declare that the cities raided by Japanese bombers were unfortified." (END GRAY). The radio bulletin states that the phrase actually used was (GRAY) "unguarded localities". (END GRAY).

There are anti-aircraft batteries in the environs of Chungking. One that was near a large American mission property has been removed by order of General Chiang. Another is located on the south bank about two miles above two residences of the Ambassador and the staff. Contrary to the assertion of the Minister for Foreign Affairs in my May 10, 1 p.m., members of the staff have heard from the staff of the British Embassy that there was an anti-aircraft gun about one kilometer from that Embassy during

the

793.94/15010

F/FG

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

15598

EDA - 2 - #333, May 16, 8 a.m. from Chungking

the bombing of the third but that it had been removed
before the bombing of the fourth when the Embassy was
hit. There was a military objective in the area north
of the Kialing River burned in the bombing of ^{May 12.} (A).

These circumstances seem to the Embassy, however, to
offer no justification whatever for the bombing of ex-
tensive business and residence areas in the center of
the city on May 3 and 4 which localities were unguarded
so far as the Embassy can ascertain.

Repeated to Peiping.

PECK

KLP:CSB

WB
5/23/39

0349

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

Washington Times-Herald

5599

12-18-75

703,94/15510

Div. of
FAR EASTERN AFFAIRS
MAY 17 1939
Department of State
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JAPAN'S RAIDS BRING ANOTHER U. S. PROTEST

Moral Ban on Plane Exports
Stiffened as Hull Denounces
Bombing of China Civilians

By HOBART C. MONTEE
United Press

The United States yesterday stiffened its moral embargo against sale of fighting planes and accessories to Japan by filing a new protest against repeated Japanese air raids on Chinese civilian centers.

The protest was delivered to the Japanese foreign office by Joseph C. Grew, United States ambassador to Japan, upon cabled instructions from Secretary of State Cordell Hull.

Moral Embargo Strengthened

Hull termed the protest very earnest representations, but his attitude indicated it amounted to a repetition of vigorous protests which the United States repeatedly has made against aerial attacks on defenseless civilians.

The new protest appeared designed to strengthen the "moral embargo" which completely has halted sale of American-made fighting planes to Japan.

The State Department has not presented any legal barrier to such sales, but Hull has appealed morally to American manufacturers to close their sources of airplane supply to nations which bomb civilians. In effect, the appeal amounted to imposition of a moral embargo against such sales to Japan.

Humanitarian Motives

Grew's representations referred to Japanese bombings of Chungking, Swatow, Ningpo and Foochow, where during the last two weeks thousands of Chinese civilians, including hundreds of women and children, reportedly have been slain. Hull said the representations were based on humanitarian grounds, in line with this Government's frequently expressed abhorrence of attacks from the air upon defenseless men, women and children.

The State Department published statistics which revealed Japanese purchases of American military airplanes have completely dried up. During the latter part of 1937 and throughout 1938 Japan's purchases of American military planes and other war materials, export of which must be licensed by the State department, averaged between \$500,000 and \$700,000 a month.

Since January 1, not a single license has been issued for export of these materials to Japan. This situation is believed to be in direct response to Hull's appeal last July.

Japanese Methods Assailed

Just previously Sumner Welles, then Acting Secretary of State, had issued a formal statement voicing "this nation's emphatic reprobation of such methods and such acts—which are in violation of the most elementary principles of those standards of humane conduct which have been developed as an essential part of modern civilization."

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

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Chefoo/144 FOR despatch # 50 to Embassy

FROM Chefoo (Roberts) DATED Apr. 8, 1939.
 TO NAME 1-1127 ***

REGARDING: Sino-Japanese relations.

Report concerning -, for month of
 March, 1939 in Chefoo area.

793.94/ 15011

/5011

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

1. Japan.

(1) Military Situation.

Japanese military forces were active during the month of March and the drive against the guerrillas in the Lungkow - Hwanghsien area appears to have met with success. Japanese troops passing through Yiehhsien (掖縣) February 23 joined up with mercenary forces to occupy Lungkow (龍¹³) and Hwanghsien (黃縣) March 2nd. (10)

(10) Radio of March 4, 6 p.m. to the Embassy at Peiping.

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

- 6 -

At 10:00 A.M. March 2nd Hwanghsien was captured by the Japanese without any resistance. The place had already been evacuated by the guerrillas and the town set on fire. According to reports coming from the Southern Baptist Mission at Hwanghsien order is being maintained and foreigners are not being molested.

Penglai (蓬萊) on the coast did not fall until March 23 several days after the guerrillas had forced the people to evacuate the city, burned the public buildings and had torn down the walls. The occupying forces put up posters urging the people to return to their homes. The American Presbyterian Mission at Penglai reported American property and lives safe.

The sweep of the Japanese and mercenary forces along the road from Yichsien to Penglai brought most of the north coast of Chantung under the control of the occupying forces.

Reports from the interior say the guerrillas evacuated the coastal towns and retreated into the mountains from which raids on the occupying forces are made from time to time. However, observers in the interior thought guerrilla activities were decreasing with a deterioration in the morale and a tendency to engage in petty banditry.

The

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

- 7 -

The refugee problem before the Japanese occupation was acute at the American missions at Hwanghsien and Fenglai. For example an American missionary at Hwanghsien the day before the capture of that town wrote:

"How one's heart bleeds to look out in all directions and see the roads filled with people taking what belongings they can on carts, rickshas, animals, wheelbarrows and carrying bundles. We have been trying to get our Christians to places of safety. It is the 'scorched earth' policy and who knows if tomorrow there will be a city."

At Fenglai the American Presbyterian Mission had over a thousand refugees in their schools and compounds.

Many thousands of refugees from the interior came to Chefoo by boat from Fenglai and Lungkow. The refugees on arrival at Chefoo were subjected to a severe examination by the Japanese naval forces and searchers took away any Chinese national currency found on the refugees.

(2) Restrictions on Imports and Exports.

Although the control of export exchange was transferred from the Federated Shipping Bureau and the Yokohama Specie Bank to the Federal Reserve Bank, the Japanese navy through its Federated Shipping Bureau continued to require both import and export permits for all merchandise passing through the port of Chefoo. This control was established January 15, 1939, by a proclamation of the Commander of the Japanese Naval Landing Party.

The new exchange control measures restricted to

some

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

- 8 -

some twelve items of the Chinese tariff came into force on March 11th. Exporters of these twelve items on and after that date were required to exhibit a "certificate of selling exchange" showing the negotiation of foreign bills at the arbitrary rate of fourteen pence to the dollar before export was permitted.

The Japanese Naval Landing Force not only failed to rescind its order of January 18th requiring import and export permits but went a step further and on March 11th re-established a contraband list of articles and commodities classified as war materials. The new list is in three sections as follows:

1. Prohibited imports at Chefoo and Weihaiwei.
2. Prohibited imports into Chinese controlled territory.
3. Prohibited exports to South China.

The importation of some fourteen categories of war materials at Weihaiwei and Chefoo is prohibited except under permit issued by the Japanese naval authorities. The principal items are arms, munitions, uniforms, horses, camp equipment, airplanes and machinery for manufacturing and repairing arms.

The importation into Chinese controlled territory of the foregoing list increased by the addition of vehicles, telegraph and telephone equipment, metal wire and tools, raw cotton and liquid fuel is prohibited in the second part of the Japanese memorandum. Kerosene

is

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

- 9 -

is one item that may give concern to the American oil companies. They may encounter difficulty in obtaining permission to ship to guerrilla controlled regions. However, the sweep of the Japanese along the north coast of Shantung should open up a larger field for the oil trade. Chefoo, Weihaiwei, Taku and other places under Japanese occupation are exempt from the application of this section.

Part III prohibits the shipment of certain specified products from northern ports to the South China ports of Hongkong, Canton, Hongmoon, Lushow, Hoihow, Swatow, Foochow, etc. The principal articles covered by this embargo are peanuts, peanut oil, bean oil, vermicelli, clothing, piece goods suitable for military use, shoes, oil products, coal, fuel, lubricating oil and raw cotton.

Summing up there are three distinct measures or acts regulating imports and exports, namely, (1) the Japanese naval proclamation requiring import and export permits for all shipments handled at Chefoo; (2) notice of the Superintendent of Customs establishing an exchange control on twelve items of the import tariff comprising the most important items entering into north China's export trade; and (3) the Japanese naval proclamation regulating the import and export of certain articles considered suitable for or adaptable

to

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

- 10 -

to military use.

While this may seem to be a formidable array of restrictions on Chefoo's commerce, American trade with this district appears not to be affected to any great extent. American products are imported through Shanghai, exchange on this port still being available in the open market but at a premium of about ten per cent in terms of Federal Reserve Bank notes. The Federated Shipping Bureau is now freely issuing export permits for all of the principal articles exported from Chefoo to the United States with the single exception of strawbraid.

The principal sufferers from the new export exchange control measures are the two German firms at Chefoo. Their peanut business has been wiped out. While they have attempted to use the import - export link system, offsetting losses on exports by profits on imports, so far they have not been successful in financing any large transactions. Ocean steamers booked to call at Chefoo in March to load peanuts for Europe were diverted to other ports as sufficient cargo was not available.

Others feeling the pinch of the control on exchange and exports are the Chinese shippers of peanut oil and vermicelli. It was reported that shippers of these were encountering difficulty in obtaining export permits.

2. France.

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

DOCUMENT FILE

NOTE

SEE 893.102/76 FOR #189

FROM China (Chungking) (Peck) DATED Apr. 25, 1939
TO NAME 1-1127 ***

REGARDING: Safety zone at Changsha, Hunan: Copy of British communication
to Chinese Foreign Office requesting the removal of Chinese
fortifications from the zone.

wb

793.94/ 15012

15012

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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. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Canton/134 FOR despatch # -

FROM Canton (Myers) DATED April 10, 1939.
TO NAME 1-1127 670

REGARDING: Sino-Japanese relations.

Report concerning -, for month of
March, 1939.

793.94/ 15013

15013

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

(a) Military Activities in Canton Area:

793.94
The military activities of the Japanese forces in the Canton area during most of the month under review were confined to minor engagements with the Chinese guerrilla and bandit units within the so-called occupied territory. However, during the last few days of the month the Japanese began a drive on Kongsuon, treaty port and principal city near the mouth of the West River. It seems likely that these operations will be further extended in the rich West River delta area, control of which area might be expected to strengthen the Japanese position in South China both militarily and economically.

According to Chinese reports the Japanese failed to
advance

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

- 4 -

advance their lines toward the north or toward the west, although there were increases in Japanese forces in the areas to the south of Shichow (韶州) and around Samsui (三水). It was alleged that the Japanese had completed an aerodrome at Taipingchang (太平場), about 80 miles northeast of Canton. Considerable construction work was also noticed as under way on the Tinho aerodrome in Canton. The point of Nonan Island, opposite Shamoen, was converted into a vast depot presumably for military supplies and construction material, principally lumber for use in constructing barracks.

There was little change in the military situation in Hainan Island. The Japanese gained control of the few most important coastal cities but apparently made no strenuous efforts to advance inland. However, the reported arrival of shiploads of cement, barbed wire, coastal guns, et cetera, at Hoinow and Yulinkang was interpreted as indicating that the permanent occupation of the Island was contemplated by the Japanese.

Japanese bombing planes were fairly active, particularly in western and northern Kwangtung, but no reports were received of the destruction or damaging of American property.

The military forces of the Chinese during March, as during February, were reportedly being organized in preparation for the long expected northward advance of the Japanese along the North River and Canton-Hankow railway and for the threatened invasion of Kwangsi through Pakhoi (北海) or Yeungkong. Chinese sources reported the arrival of considerable numbers of Kwangsi troops in the area south of the West River, as well as several mechanized units along the
Canton-

036

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

DOCUMENT FILE

NOTE

SEE 893.102 Kulangsu/126 FOR Tel # 330, noon

FROM China (Chungking) (Peck) DATED May 14, 1939.
TO NAME 1-1127 ***

REGARDING: Sino-Japanese relations.

Japanese marine occupation of Kulangsu
May 11. Quotes Embassy's translation
of note from Minister of Foreign Affairs,
dated May 13, regarding -.

aa

793.94/15014

15014

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

1-1

EMC

SPECIAL GRAY

Chungking via NR

Dated May 14, 1939

Rec'd 7 am.

Secretary of State

Washington

330 May 14, noon.

Reference Amoy's 16, May 12, 10am. Following is
 Embassy's translation of note from Minister of Foreign
 Affairs dated May 13, received today:

"URGENT. The Ministry of Foreign Affairs has
 received a report to the effect that Japanese marine
 officers recently occupied Kulangsu by force on May 11
 and conducted a door-to-door search.

Japanese Government observed that the forcible occu-
 pation of Kulangsu by Japanese troops is all designated as
 a test and that its repercussion on the future of the con-
 cessions in Shanghai and Tientsin may be great. The Chinese
 Government is very much concerned.

The Ministry in inditing this note requests that the
 American Embassy ask the American Government to give its
 most serious attention to the matter."

Repeated to Peiping, Shanghai.

PECK

WWC
 RR

*Note
 793.94*

893.102 Amoy 157

*893.102
 Kulangsu 1126*

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

15014a
 15500
 DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 8, 1939.

The Embassy at Chungking and the Consulates at Foochow and Swatow have recently reported extensive destruction of life and property in those cities as a result of Japanese air raids. Ningpo has also been heavily bombed. Notwithstanding the statement that the American Assistant Military Attaché at Chungking reports that military institutions regarded as legitimate objects of attack during a declared war are scattered throughout Chungking, our reports indicate that the destruction was confined almost entirely to civilian lives and civilian property. For example, Chungking's telegram no. 312 of May 5, 4 p.m., attached hereto, states that the Embassy has not been able to learn of any damage to military objectives worthy of mention during the two extensive Japanese air raids of May 3 and May 4. In view of these reports it would seem, therefore, that it would be entirely justifiable for Ambassador Grew to make representations to the Japanese Government in regard to the recent raids on the four cities under reference and that those representations should be made on humanitarian grounds.

793.94/15014A

M. D. Gustafson

FE:Salisbury:EJL

0364

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

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TELEGRAM SENT

Department of State

TO BE TRANSMITTED
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 NONCONFIDENTIAL CODE
 PARTIAL
 PLAIN

Washington.

May 13, 1939.

1939 MAY 13 PM 2 03

AMEMBASSY,

TOKYO (JAPAN).

DIVISION OF
 COMMUNICATIONS
 AIR MAIL ROOM

126
 New York Times under Tokyo May 12 date line reports
 that the United States, British and French Ambassadors have
 protested to the Japanese Foreign Office against the bombing
 of Chungking and other cities and that the protest of the
 American Ambassador was made on humanitarian grounds; also,
 other interesting items.
 At his press conference on May 13 in reply to questions,
 the Secretary said that our Ambassador, under instructions,
 made very earnest representations on humanitarian grounds
 to the Government of Japan and that we are all fairly
 familiar with the line of discussion and comment against
 bombing from the air -- defenseless men, women and children
 who are noncombatant and of course in unguarded localities.

Int

735.94/15014A

Hull

SEA

FE:JWB:REK

FE

Enciphered by

Sent by operator M., 19.....

D. C. R.--No. 50

1-1462 U. S. GOVERNMENT PRINTING OFFICE

F/HG

0365

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

NEW YORK TIMES

May 13, 1939.

Three Protests to Japan By HUGH BYAS

Wireless to THE NEW YORK TIMES.

TOKYO, May 12.—The United States, British and French Ambassadors have protested to the Japanese Foreign Office against the bombing of Chungking and other Chinese cities. The protest of Joseph C. Grew, the United States Ambassador, was made on humanitarian grounds.

Sir Robert Craigie, the British Ambassador, referred particularly to the damage to the British con-

sulate and rejected the Japanese Navy's excuse that anti-aircraft guns were near the consulate. The presence of anti-aircraft defenses, he state, formed no justification for indiscriminate bombing.

Foreign Minister Hachiro Arita promised an answer after an investigation is made.

The Japanese Government's anxiety to conceal American displeasure was again shown in the variegated publicity given to these protests. Although all three envoys protested on substantially the same subject, only the British protest received publicity in the press.

The Foreign Office today stated that Mr. Grew and Mr. Arita "exchanged views on pending problems." The newspaper Asahi informed its readers that Mr. Grew, who soon will leave for a vacation in the United States, will "rectify the views of the government and people regarding the new situation in East Asia" because, continues Asahi, "they lack proper appreciation of the spectacular advance Japan has made toward construction of a new order."

In the State Department, according to Asahi, the faction that would regulate the new situation in China on the basis of the Nine-power treaty and other treaties is still influential. The newspaper believes, though without any evidence that it is able to quote, that Mr. Grew's visit will rectify America's view.

Such articles reveal Japan's desire to recover American good-will. On the contrary, the manner in which Britain is singled out as a constant objector increases the anti-British feeling.

The newspaper Kokumin informed its readers that Sir Archibald Clark Kerr, the British Ambassador to China, had traveled to Changking in a plane with Generalissimo and Mme. Chiang Kai-shek to protect their lives. If the Ambassador, it continues "misuses his diplomatic privileges" his movements may constitute a grave obstacle to Japan's military operations and it will be impossible for Japan to guarantee his safety.

5602

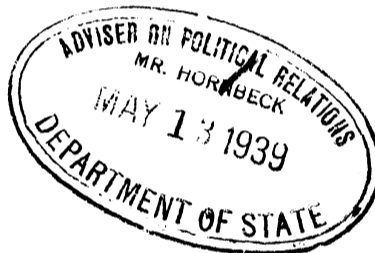
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DCR

PA RSW
 MAY 15 1939
 Department of State
 ST

Tel to
 Tokyo

MAY 13 1939



79394/15014a

0366

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

(NOT FOR THE PRESS)
(FOR DEPARTMENTAL USE ONLY)

Department of State
Division of Current Information No. 91

MEMORANDUM OF THE PRESS CONFERENCE, SATURDAY, MAY 13, 1939

At the press conference this afternoon, Secretary Hull said: Since someone asked the question about the occupation of at Amoy of the international settlement by the Japanese forces, I have received a despatch relating to it and I will ask Mr. McDermott to get hold of it and give you the circumstances of it at least. Another question was asked I think about representations on our part to the Japanese Government in relation to bombing at Chungking and Foochow and two or three other Chinese cities. I may say that our Ambassador, under instructions, made very earnest representations on humanitarian grounds to the Government of Japan. Have you any questions?

A. Mr. Secretary, I want to ask a question on some other subject. Maybe someone has a question on this first.

A. I would like to ask one additional...

A. Have our local officers taken that up or made any...

A. I presume they are giving it whatever attention it may need. As you know, we have some Americans situated there, but we have no reports of any injuries to them. We have no guards there.

A. Has Ambassador Grew taken up the bombings that have been going on for several weeks?

A. Only once so far has full representation been given. Of course, we have Americans in each town that has been bombed.

A. Did he present a formal note or any kind?

A. No he discussed the matter orally.

0367

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

-2-

Q. Could you tell us more about the contents...

A. Of which?

Q. More of the contents--how the representations were placed?

A. They were placed on humanitarian grounds and I think we are all fairly familiar with the line of discussion and comment against bombing from the air--defenseless men, women and children who are noncombatant, and of course in unguarded localities.

Q. Is there anything you might be able to give us in the way of the type of representations he made?

A. As I say, I haven't anything much more than I have told you. The report is to the effect that he made very earnest representations covering fully the questions presented and the reasons in support of them based on humanitarian consideration.

Q. Have you had any reply from Mr. Brew as to what reply of any sort they made.

A. Nothing thus far.

Q. Mr. Secretary, sometime has gone by since we first began to notice the Bolivians were trying to make an oil barter deal with Germany. Has our Government made a protest on that?grou

A. It is giving attention to all phases of the oil question down there in Bolivia and it has undertaken now to get at the true facts. There are different reports differing more or less as to a number of the facts and circumstances and we are trying to sift it all out and get the--just exactly the present status of the matter.

Q. Mr. Secretary, in regard to the oil negotiations with Mexico, Mr. Richberg has given an indication that these oil negotiations with Mexico are going very well. We learned yesterday, however, that the Sinclair interests are trying to induce someone else to go down there because they were not

0368

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 Department of State letter, August 10, 1972
 By Milton L. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

AC

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

Foochow via N. R.

FROM

Dated May 17, 1939

Rec'd 9 a.m.

Secretary of State **IES IN PARAPHRASE** Division of
 Washington, **SENT TO O.N.I. AND FAR EASTERN AFFAIRS**
I.D. IN COMPLIANCE MAY 17 1939
 Department of State

May 17, 10 a.m.

Yesterday afternoon one hydroplane dropped eight bombs in two air raids on Nantai and the city. Three bombs fell on two saw mills on Nantai Island quite near the foreign settlement; the largest mill was completely destroyed by fire. The plane hovered over this vicinity an hour each time flying slowly at a very low altitude as if trying to draw fire.

The new British Consul has protested strongly against certain excavations being made in the foreign settlement by the Chinese which he assumes are for anti-aircraft batteries. Mr. Lo Chung Hsu, the sole remaining representative of the Provincial Government, however, assures me that the excavations "are for other purposes" and that no anti-aircraft batteries are to be installed.

British Admiral Sir Percy Noble arrives here this morning, departing this afternoon.

Sent to Peiping, repeated to Chungking, Shanghai.

ROWE

KLP:GW

793.94/15015

F/FG

0365

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

(Confidential)

PARAPHRASE

CONFIDENTIAL

Two telegrams of May 17, 1939, from the American Consulate at Foochow read substantially as follows:

Mamoi is undergoing heavy bombing and official information has just been received by the Consulate to the effect that coastal towns north of the river are being bombarded by two Japanese naval vessels.

Sir Percy Noble, British Admiral, is arriving at Foochow in the morning and leaving in the afternoon of May 17.

A strong protest has been made by the Consul who recently assumed charge of the British Consulate against certain excavations which the Chinese are making in the foreign settlement and which the British Consul takes for granted are for anti-aircraft batteries. The officer in charge of the American Consulate has been assured, however, by the only remaining Provincial Government representative (Lo Chung-hsu) that no anti-aircraft batteries are to be set up and that the excavations are to be used for other purposes.

In two air raids on Foochow City and Nantai on the afternoon of May 16 eight bombs were dropped by one hydroplane. Two sawmills quite near the foreign settlement on Nantai Island were struck by three bombs. Fire destroyed completely the largest mill. As if endeavoring to draw fire, the hydroplane flying slowly at a very low altitude hovered an hour each time over this area.

FE:JPS
 5-19

FE: [signature]

793.94/15015,15016

0371

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

*For copy of paraphrase
see 793.94/15015.*

TELEGRAM RECEIVED

JR
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

FROM

Foochow via N. R.
Dated May 17, 1939
Rec'd 9 a.m.

Secretary of State,
Washington.

May 17, 11 a.m.

Heavy bombing is in progress at Mamoi and I have
just received official information that two Japanese
naval vessels are bombarding coastal towns north of
the river.

Sent to Peiping. Repeated to Chungking, Shanghai.

ROWE

PEG

IN PARAPHRASE
TO C. N. I. AND
CONFIDENCE

Division
FAR EASTERN AFFAIRS
MAY 17 1939
Department of State

793.94/15016

MAR 5 1942

FILED

F/F G

037

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

Copy sent to Treasury

15603 *X*

TELEGRAM RECEIVED

PLAIN

AC

Chungking via N. R.

1-1336

FROM

Dated May 17, 1939

Rec'd 8:55 a.m.

793.94

Secretary of State

Washington

337, May 17, noon.

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

Director of
THE EASTERN AFFAIRS
MAY 17 1939
Department of State

General Chiang Kai Shek in an open message addressed to the Provincial and Municipal governments and the people of the country on May 16, referred to the "widespread and wanton" Japanese bombing of Chinese cities in Szechuan, Shensi Honan, Hupeh, Honan, Kiangsi, Fukien, Chekiang and Kwangtung during the past months and gave the following as the objects of these aerial attacks on undefended cities and defenseless civilian populations: (1) an endeavor to terrorize the Chinese people into submission; (2) an attempt to destroy the means of livelihood of the masses and productive enterprise; (3) an endeavor to create confusion and disorder in the Chinese rear. General Chiang declared that although the Japanese have "resorted to the most ruthless bombing in the history of the world" the Chinese people instead of being demoralized have remained calm and added "I firmly believe that our people will forever remember the Japanese brutality

793.94/15017

MAILED
5/17/39
F/G

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

15604

- 2 - #337, May 17, noon, from Chungking

brutality and will forever remind posterity until the
invaders are annihilated and the deaths of our unfor-
tunate brethren are avenged."

Repeated to Peiping and Shanghai.

PECK

DDM

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

TELEGRAM RECEIVED

FS

PLAIN

Swatow via N. R.

FROM

Dated May 17, 1939

Rec'd 12 noon

Secretary of State,

Washington.

13, May 17, 5 p.m.

During three air raids today Japanese naval planes
 dropped eighteen bombs at various places in heart of
 Swatow killing probably less than ten Chinese with
 small property damage. No (repeat no) foreign casualties
 nor property damage but foreign residents were in great
 danger from proximity to bombings.

WWC:RR

YOUNG

793.94/15018

F/FG

0374

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

793.94

DOCUMENT FILE

NOTE

SEE 890.00/144 FOR Memorandum
State Department
Far Eastern Division
FROM (Salisbury) DATED May 11, 1939.
TO NAME 1-1127 ...

REGARDING: Situation in the Far East: Sino-Japanese conflict.
Developments of past week, in review.

FRG.

793.94/15019

15019-

0375
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

1505
DEPARTMENT OF STATE

ADVISED ON POLITICAL RELATIONS
ASSISTANT TO THE DEPARTMENT OF STATE

RECEIVED
MAY 1 1939
APR 11 1939

COUNSELOR APR - 3 1939

194
The Honorable Sol Bloom has asked, through Mr. Savage, this question: Why have neither China nor Japan declared war?

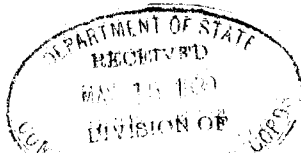
The ribbon copy of a memorandum here attached, without indication of source, has been given to Mr. Savage for communication informally and unofficially to Mr. Bloom.



SKH
Stanley K. Hornbeck

PA/H:SKH:ZMK

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



April 1, 1939.

In the absence of any statement by the Chinese or the Japanese Governments of the reasons why those Governments respectively have not declared war in connection with the current China "incident", any statement which may be made by anyone in answer to the question, "Why have China and/or Japan not declared war?", can at best be only a statement of opinion. Such a statement, moreover, involves an exercise of judgment by its maker with regard to the animation and the motivation of the decisions and acts of human beings other than himself, and therefore involves excursion into a speculative field.

It is believed that no one and single cause can safely be attributed. As a broad generality, it may perhaps safely be suggested that each government has refrained from declaring war on the theory that by so doing it is best serving its country's interest.

The question arises: Why should China have declared war? China did not launch hostilities against Japan; the hostilities were begun by Japanese armed forces, in China, and they have been carried on by Japanese armed forces, against China, in China. As between Japan and China, it it were to be expected that either country would declare war,

it

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0 3 7

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

- 2 -

it would naturally be expected that the first declaration would be made by the Japanese. (Note: It appears that in the case of Italian-Ethiopian hostilities neither country declared war. At the end, however, of the hostilities, the Italian Government described what had taken place as having been "war". In the Japanese-Chinese case, the Japanese have officially and persistently designated what is going on as the "China incident".)

Had there been or were there to be a declaration of war either by Japan or by China, that part of the general body of international law which is known as the Law of War would immediately come into operation. This would immediately alter the general legal situation by making the parties to the conflict subject to the laws of belligerency and making the other nations (those which might elect to remain neutrals) subject to the laws of neutrality. It would seem that both the Japanese and the Chinese Governments have preferred thus far that this alteration of the situation not be brought about. Viewed from a distance, it would seem that, were that alteration brought about, the advantages flowing therefrom to Japan, a naval power, would be greater than the advantages to China, in so far as the conflict between those two countries is immediately involved. That consideration alone would perhaps account for China's not having chosen to declare war. (Note: At the same time, it would seem that from point of view of

Japan's

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

- 3 -

10608

Japan's relations with other powers, there might arise, if the Law of War went into effect, disadvantages to Japan outweighing the possible advantages; and there is warrant for a hypothesis that this possibility may have been of considerable weight among the factors which have caused Japan to refrain from declaring war.)

As suggested above, more considerations than one enter into the making of such a decision. Among the many facts and factors which doubtless have been considered by the Chinese and the Japanese Governments mention may be made of the fact that there is in existence in the United States "neutrality" legislation. Had either the Chinese or the Japanese Government declared war, the President of the United States presumably would have felt obliged to issue the proclamation provided for in the Neutrality Act, and a series of effects would have followed. There is much difference of opinion on the subject of advantages and disadvantages which would accrue to China and to Japan respectively from the going into operation of the provisions of the United States neutrality legislation. It is problematical which of the two countries would gain more and which would lose more were that legislation put into "operation". However, the Chinese, generally speaking, that is, both Chinese officialdom and the Chinese

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

- 4 -

7602

Chinese public, have clearly been of the opinion that China would be more adversely affected than would Japan. The Chinese, therefore, have not desired that the said legislation come into "operation". That fact would be a factor among the various factors which would contribute to the disinclination of the Chinese Government to declare war. In Japan, it would appear, there has not been the unanimity of opinion that has been discernible in China on the subject of relative advantages and disadvantages which would flow from the coming into "operation" of the United States neutrality legislation. As a factor, among the many which have entered into the determining of their position on the subject of declaring war, the existence of the United States legislation has probably been of less weight in the case of Japan than in the case of China. Nevertheless, it may be that responsible and thoughtful Japanese officialdom has attached a good deal of importance to the question: What indirect and once removed consequences, in the field of further evolution of American public opinion and of action by the United States which might flow therefrom, might develop were a possible new sequence of events to be initiated by the coming into operation of the United States neutrality legislation? How much an apprehensive foresight may have influenced their thought, it is impossible to estimate.

It

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

- 5 -

0010

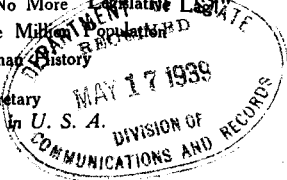
It must be remembered that China and Japan have been in different positions because of and in regard to certain treaty obligations. China is a member of the League of Nations and Japan no longer is a member. The Chinese feel that provisions of the Nine Power Treaty are advantageous to China and the Japanese feel that provisions of that treaty are disadvantageous to Japan. In those contexts and settings, the Chinese would probably feel themselves more inhibited against declaring war than would the Japanese. However, both countries are signatories of the Pact of Paris, and from point of view of the declaration and pledge contained in that pact, each country would presumably be reluctant to declare war.

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

The Kaufman Plan for Majority Rule Through "Printed Town Hall"

Every Law the Majority Desires—At Every Election—No More "Legislative Larceny"
 Adopted by Twenty-Three States — Forty-Five Million Population
 The Greatest Political Invention in Human History

W. H. KAUFMAN, Organizing Secretary
 Father of the Direct Legislation Movement in U. S. A.



May 17 1939

Box 299, Route 2, Bellingham, Wash., U. S. A. 5-1-

1939

Superintendent of Publications,
 Washington, D.C.

Dear Sir:

I wish copies of Sec. Stimson's letters (or cables), to Sir John Simon, re the Japanese invasion of Manchuria; and the replies of Sir John Simon; 1931-1932. If there is any publication containing these letters (or cables), (with Sir John Simon or with the British Foreign Office); kindly quote title and price. Have data as to facts of the invasion; wish the letters (or cables).

Very truly,

W. H. Kaufman

REFERRED BY
 SUPERINTENDENT OF DOCUMENTS
 GOVERNMENT PRINTING OFFICE

Refer
 State Dept

F / FG / 5021

793.94/15021

Aug 5-15-39
 File
 WG



793.94

See
 793.94/14880

0382

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

May 17 1989

In reply refer to
RP 793.94/1

My dear Mr. Kaufman:

The Superintendent of Documents, Government Printing Office, has referred to the Department of State your letter of May 1, 1939 in which you inquire in regard to publications containing correspondence between Secretary of State Henry L. Stimson and Sir John Simon or the British Foreign Office.

Information on the subject of your inquiry will be found in the Department's letter to you of April 24, 1939 a copy of which is enclosed.

Sincerely yours,

For the Secretary of State:

Enclosure:

To Mr. Kaufman,
April 24, 1939.

E. Wilder Spaulding
Assistant Chief, Division of
Research and Publication

Mr. W. H. Kaufman,

Box 299, Route 2,

Bellingham, Washington.

MAY 16 1939

RP:WG:LAR 5/13,15/39

A true copy of
the original
is being
furnished

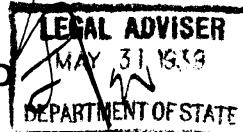
793.94/1 5021

F/FG

038

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

TELEGRAM RECEIVED



FROM

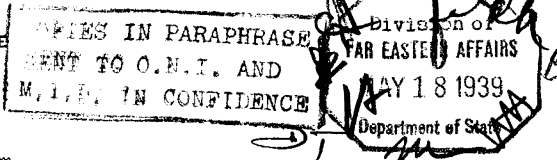
AC
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (Br.)

Foochow via N. R.

Dated May 18, 1939

Rec'd 8:50 a.m.

Secretary of State
Washington



May 18, 5 p.m.

Apparently the same bomber visited Nantai three times
this afternoon dropping a total of eleven bombs five of
which landed near installation of the Standard Vacuum Oil
Company. The objective appeared to be the new electric
power plant which is between the Asiatic Petroleum Company
and Standard Vacuum Oil Company installations about a
hundred yards from both. No previous attempt has been made
to bomb it although it has been machine gunned several
times. The other bombs fell on Chinese residences in the
same general locality.

Mamoi was again bombed this morning.

Sent to Peiping, repeated to Chungking, Shanghai.

ROWE

CSB

793.94/15022

F/FG

793.94
note to Standard
393.15
ad to

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

(Confidential)

~~CONFIDENTIAL~~

P A R A P H R A S E

A telegram of May 18, 1939, from the American
 Consulate at Foochow reads substantially as follows:

On the morning of May 18 Mamoi was bombed again.
 On the afternoon of May 18, Nantai was bombed three times,
 evidently by the same bombing plane which dropped eleven
 bombs all together. It seemed that the objective of the
 bombing was the new electric power plant which is located
 about 300 feet from the installations of both the Asiatic
 Petroleum Company and the Standard Vacuum Oil Company and
 between them. Although the electric power plant has been
 machine-gunned on several occasions, no effort has been
 made in the past to bomb it. Five of the eleven bombs
 which were dropped landed near the Standard Vacuum Oil
 Company installation and the remainder fell on residences
 of Chinese in that general area.

793.94/15022

FE:EGC:JPS
 5-19

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FE
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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 O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

FROM

LEGAL ADVISER
MAY 22 1939
DEPARTMENT OF STATE

JR

PLAIN

Swatow via N. R.

Dated May 18, 1939

Rec'd 2 p.m.

COMMUNICATIONS SECTION
O.N.I. AND S.I.D.
D

743.94
Secretary of State,
Washington.

14
13, May 18, 5 p.m.

Division of
FAR EASTERN AFFAIRS
MAY 18 1939
Department of State
B

During three air raids today Japanese naval planes
dropped twelve bombs two of which were incendiary in
central and northwest section of Swatow. Few casualties
and small property damage but great terrorism resulted.
Repeated to Chungking, Paiping.

YOUNG

RR

743.94/15023

F/FG

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

TELEGRAM RECEIVED

REB

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

FROM

FOOCHOW VIA N.R.

Dated May 19, 1939

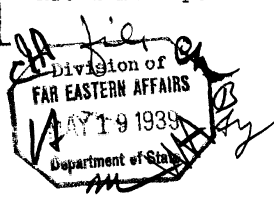
Rec'd 1:40 p. m.

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

Secretary of State,

Washington.

May 19, 5 p. m.



793.94
Between 3 and 5 p. m. a Japanese hydroplane came to
Foochow twice. In the first attack a saw mill, a match
factory and a plant of the Fukien Paper Manufacturing
Company were bombed, all on island of Nantai within a half
mile of this Consulate. In the second four bombs were
dropped in southern Nantai. Results not yet reported.

Sent to Peiping, repeated to Chungking, Shanghai.

ROWE

CSB

793.94/15024

F/FG

038

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

Confidential

CONFIDENTIAL

P A R A P H R A S E

A telegram of May 19, 1939, from the American Consulate at Foochow reads substantially as follows:

A Japanese hydroplane made two air raids on Foochow between three o'clock and five o'clock in the afternoon. A plant of the Fukien Paper Manufacturing Company, a sawmill, and a match factory were bombed during the first visit of the hydroplane. All of these are on the Island of Nantai not more than one half mile from the Consulate. Four bombs fell in the southern part of Nantai during the second raid. There are no reports as yet in regard to the results of the bombings.

793.94/15024

896.
FE:EGG:HJN
5/20

FE RUND

0388

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

DOCUMENT FILE

NOTE

SEE 894.797/42 FOR despatch # -

FROM Osaka (Makinson) DATED Mar. 23, 1939
TO NAME 1-1127 GPO

REGARDING: Sino-Japanese relations. Voluntary
report prepared by Mr Allison,
including automotive situation
and general China incident.

aa

793.94/15025

15025-

0385

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

793.94

DOCUMENT FILE

NOTE

SEE 890.00/145 FOR Memorandum
State Department
Far Eastern Division
FROM (Salisbury) DATED May 18, 1939.
TO NAME 1-1127 ***

REGARDING: Situation in the Far East: Sino-Japanese conflict.
Developments of past week, in review.

FRG.

793.94 / 15026

15026

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

TELEGRAM RECEIVED

CORRECTED COPY

JR

FROM
GRAY

Tsinanfu via Tsingtao & N.R.

Dated May 16, 1939

Rec'd 7 p.m., 20th.

Secretary of State,
Washington.

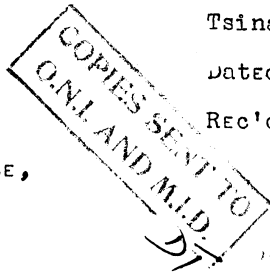
25, May 16, 9 p.m.

One. Some 2000 fresh Japanese troops have reached Tsinanfu from Tsingtao during the past few days and Japanese sources report reinforcements numbering 20,000 are scheduled to arrive. Presumably connected with this troop movement was the arrival from Tsingtao on May 14 of a Japanese general accompanied by a lieutenant general.

Two. The foregoing, coupled with the conference of the superintendents of southern, western and northern Shantung now being held at Tsinanfu, is believed to presage intensification of "bandit suppression" measures.

Three. Guerrillas continue active even in the vicinity of Tsinanfu and firing is audible nightly. Small railway mine exploded within city limits on the night of May 12, a few minutes too early to wreck incoming passenger train, and shots exchanged between plain-clothes men and Japanese railway guards. Consequently curfew hours have

been



793.94/15027

F/A

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

-2- #25, May 16, 9 p.m., from Tsinanfu..

been extended and systematic searching of pedestrians
and all types of conveyances reinstituted.

Four. Japanese operated interurban bus service
suspended following recent killing of seven Chinese and
four Japanese employees.

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

DDM:EDA

039

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

TELEGRAM RECEIVED

MJD

GRAY

FROM

Tsinanfu via Tsingtao
and N. R.

Dated May 16, 1939.

Rec'd. 7 p. m., 20th.

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

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
MAY 22 1939
Department of State

25, May 16, 9 p. m.

One. Some 2000 fresh Japanese troops have reached
Tsinanfu from Tsingtao during the past few days and
Japanese sources report reinforcements numbering 20,000
are scheduled to arrive. Presumably connected with this
troop movement was the arrival from Tsingtao on May 14
of a Japanese general accompanied by a lieutenant general.

Two. The foregoing, coupled with the conference of
the superintendents of southern, western and northern
Shantung now being held at (*), is believed to presage
(*) sification of "bandit suppression" measures.

Three. Guerrillas continue active even in the vicinity
of Tsinanfu and firing is audible nightly. Small rail-
way mine exploded within city limits on the night of May
12, a few minutes too early to wreck incoming passenger
train, and shots exchanged between plain clothes men and
Japanese railway guards. Contradicted curfew hours have
been

793.94/15027

F/EG

793.94

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

MJD -2- No. 25, May 16, 9 p. m. from Tsinanfu.

been extended and systematic searching of pedestrians
and all types of conveyances reinstituted.

Four. Japanese operated interurban bus service
suspended following recent killing of seven Chinese and
four Japanese employees.

Repeated to Chungking. Mailed to Peiping and Tsing-
tao.

HAWTHORNE

DDM
EDA

(*) Apparent omission

0394

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

15612

TELEGRAM RECEIVED

JR

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

FROM

Tsingtao via N. R.

Dated May 19, 1939

Rec'd 12:35 p.m., 20th.

Secretary of State,

Washington.

110, May 19, 1 p.m.

793.94

The following is telegram number 24 from the Tsinan Consulate; "I have been informed in the strictest confidence that preparatory to the Chinese April offensive in Shantung the instructions sent to the Chinese military and to the guerrilla leaders were transmitted through Chinese post office field inspectors, communications being placed in franked official Chinese postal service envelopes. The Japanese apprehended and shot three employees carrying such envelopes. The Shantung Commissioner of Posts is greatly alarmed lest the continuance of such activities will jeopardize the maintenance of the status quo of the Chinese Postal Service vis a vis the Japanese and has protested to the Chinese Postal Directorate at Kunming. Hawthorne."

Sent to Chungking, Peiping.

SOKOBIN

WWC:DDM

793.94/15028

F/FG

039

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

(CONFIDENTIAL)

 15613
 CONFIDENTIAL
PARAPHRASE

A telegram (no. 24) has been received from the Vice Consul in Charge at Tsinan, retransmitted by the Consul at Tsingtao under date May 19, which reads substantially as follows:

According to strictly confidential information received by the Vice Consul Chinese post office field inspectors were used as mediums of transmission for instructions sent to the guerrilla leaders and to the Chinese military in preparation for the offensive of the Chinese in Shantung last month and the instructions were covered by franked official envelopes of the Chinese Postal Service. Three of the employees carrying these envelopes were seized by the Japanese and were shot. A protest has been lodged with the Chinese Postal Directorate at Yunnanfu by the Commissioner of Posts at Shantung who is very much alarmed for fear the maintenance of the status quo of the Chinese Postal Service vis-a-vis the Japanese will be imperiled if such activities continue.

793.94/15028

793.94/15028

 e.g.c.
 FE:Christenson:HES
 5-23

 FE
 [Signature]

0394

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

LEGAL ADVISER
JUN 1 1939

TELEGRAM RECEIVED

MJD

DEPARTMENT OF STATE
FOOD AND AGRICULTURE

This telegram must be
closely paraphrased
before being communicated FROM
to anyone. (BR)

Dated May 20, 1939.

Rec'd. 5:09 p. m.

Secretary of State
Washington.

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

Division of
FAR EASTERN AFFAIRS
MAY 22 1939
Department of State

May 20, 11 a. m.

Referring to my May 19, 5 p. m., the Japanese plane
returned a third time at 6 p. m. yesterday and dropped
three more bombs on the paper factory which was bombed
also April 25 as reported in my telegram April 26, 9 a. m.
The China banking corporation incorporated under the law
of the Philippine Islands holds mortgage on this property
but it is not considered to be entitled to protection and
is not registered at this Consulate.

Sent to Peiping. Repeated to Chungking, Shanghai.

ROWE

DDM EDA
EDA

OFFICE OF PHILIPPINE AFFAIRS
MAY 29 1939
DEPARTMENT OF STATE

793.94/15029

F/FG

0397

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

CONFIDENTIAL

(Confidential)

PARAPHRASE

A telegram of May 20, 1939, from the American Consulate at Foochow reads substantially as follows:

At six o'clock on the afternoon of May 19, the Japanese plane which already had made two air raids that day on Foochow returned and dropped three more bombs on a paper mill south of the river held under mortgage by the China Banking Corporation which is incorporated under Philippine law. This corporation is not registered at the American Consulate and is not considered as being entitled to protection. This paper mill was also bombed on April 25.

793.94/15029

898.
FE:EGC:JPS
5-23

FCP.
FE
new

0398

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

TELEGRAM RECEIVED

HM

FROM

GRAY

Tsinanfu via Tsingtao & N.R.

Dated May 19, 1939

Rec'd 11 a.m., May 22

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

Secretary of State,
 Washington.

Division of
 EASTERN AFFAIRS
 MAY 22 1939
 Department of State

793.94
 27, May 19, noon.

Referring to my telegram number 26, May 18, 10 a.m.

One. Guerrillas engaging Japanese troops on outskirts of city on the night of 16th said to have consisted of 300 men under Shen Hung Lieh. They are reported to have been young men armed with simplified machine guns. Some 3000 of Shen's men said to be in the vicinity of Tsinanfu in addition to certain units of the Eighth Route Army (see my telegram No. 13, March 20, 4 p.m.). Chinese police sources report attack on the night of 17th about 10 miles southeast of guerrillas who withdrew before the Japanese detachment was fully roused.

Two. Strictest precautions are being taken to prevent further attacks on city and street barricades previously removed are being resurrected. Japanese military particularly worried by known presence within

793.94/15030

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

-2- #27, May 19, noon from Tsinanfu

within city of about thirty members of Chinese
"Assassination League" and a house to house search
is being carried out.

Repeated to Chungking, mailed to Peiping and
Tsingtao.

HAWTHORNE

CSB

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

TELEGRAM RECEIVED

LMS

FROM GRAY

Tsinanfu via Tsingtao
 & N. R.
 Dated May 18, 1939

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

Rec'd 3:20 p. m., 22nd

Secretary of State,
 Washington.

Division of
 FAR EASTERN AFFAIRS
 MAY 23 1939
 Department of State

26, May 18, 10 a. m.

One. Plans for a guerrilla attack on Tsinanfu were probably frustrated by efficient functioning of Japanese intelligence system and timely raid on guerrilla organ within the city on the night of May 16th. One of the leaders, a former Chinese army officer under General Han Fu Chu, was captured during the raid. He is said to have disclosed under duress a Chinese plan for attack that night, the signal for which was to have been a fire started by plain clothes-men in the city.

Heavy firing just beyond the northeastern limits of Tsinanfu that night lends credence to the report. In any case a state of uneasiness bordering on panic was observed among Japanese troops on the night in question. Eight shots were fired into an automobile carrying a Chinese police official on duty, severely wounding the occupant, because the password was not promptly

793.94/15031

F/FG

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

LMS 2-No. 26, May 18, 10 a. m., from Tsinanfu.

promptly given. No one may now enter or leave the city except by train.

Three. This Consulate is inclined to discredit Chinese reports of the mutiny of a part of the Japanese garrison, believing the wish to have been father of the thought, but is convinced that the discipline and morale of local Japanese troops are at a much lower ebb than Japanese would be likely to admit. Seventeen Japanese soldiers were seen, by reliable witness, to have been taken to the station under arrest yesterday while four others are known to have committed suicide on a nearby hill. Letters are reported to have been borne by the latter which naturally have not been made public.

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

EMB:ROW

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

JR

This telegram must be
closely paraphrased be-
fore being communicated **FROM**
to anyone. (br)

Hankow via N. R.

Dated May 23, 1939

Rec'd 1:30 p.m.

Secretary of State,

Washington.

May 23, 5 p.m.

It is reported that a party is due here very soon
composed of Prince Chichibu, Generals Yamada, Doihara
and Miyamoto (air force) and four other high authorities.
The party it is said will make a three days inspection of
the military situation in this area.

Sent to Peiping.

Repeated to Chungking.

JARVIS

PEG:KLP

NOT TO BE PARAPHRASED
SENT TO O.E.I. AND
I.T. IN CONFIDENCE

Division of
FAR EASTERN AFFAIRS
MAY 23 1939
Department of State

793.94/15032

F/FG

793.94

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

CONFIDENTIAL

(Confidential)

PARAPHRASE

A telegram of May 23, 1939, from the American Consulate General at Hankow reads substantially as follows:

There are reports to the effect that in a very short time Hankow is to be visited by a party of eight high officials who, it is said, will spend three days in inspecting the military situation in the Hankow area. The party includes Prince Chichibu, General Miyamoto (of the air force), General Doihara and General Yamada.

793.94/15032

29C.
FE:EGC:JPS
5-24

HP
FE
new

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

TELEGRAM RECEIVED

LEGAL ADVISER
MAY 31 1939
DEPARTMENT OF STATE

JR

FROM

PLAIN

Swatow via N. R.

Dated May 24, 1939

Rec'd 1:30 p.m.

Secretary of State,

Washington.

15, May 24, 5 p.m.

Eight Japanese naval planes raided Swatow today dropping twenty bombs on northwestern part of city with godowns as objective causing slight property damage and no reported casualties. Later afternoon same planes raided Chaoyang vicinity, results not available.

Repeated to Chungking, Peiping.

YOUNG

KLP

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

Division of
EASTERN AFFAIRS
May 24 1939
Department of State

793.94/15033

F/FG

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

793.94

DOCUMENT FILE
NOTE

SEE 893.00 P.R./155 FOR #1972
FROM China (Lockhart) DATED March 24, 1939
TO _____ NAME _____ 1-1127 ***

REGARDING: Sino-Japanese situation: developments for the month of
February, 1939.

793.94/15034

FRG.

15034

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

a. The military situation:

February, like the previous two months, was a period of comparative military inactivity. The principal military operations were the practically unopposed Japanese landing on Hainan Island, Japanese advances on Haichow, Liungau.

5. Chafco's 15, February 8, 4 p.m.
6. Shanghai's 109, February 9, 5 p.m.

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

- 5 -

Shanghai, and in the Han River area west of Hankow, an attack on Kuling, Shanghai, and operations against guerrillas in Hopei, Shansi and other provinces. Artillery duels continued at Tungkuang on the Yellow River but no crossing of the river was effected by the Japanese.

b. Occupation of Hainan Island⁷:

A combined Japanese military and naval force of some 5000 men landed on the north coast of Hainan Island on February 10 and captured on the same day Hoihow and Kungchow, the two largest towns. Another force landed on the south coast of the island on February 14 and captured Sanya and the Yulin Bay area. Practically no opposition was offered by the Chinese and it is reported that a large part of the Chinese troops on the island had been sent to the mainland before the attack. The Japanese established a peace preservation commission in Hoihow, asserted control over the Chinese customs and closed the port to commercial traffic.

The press reported that, in reply to démarches made by the French and British Ambassadors in Tokyo (representing the two foreign powers chiefly concerned), the Japanese Foreign Office stated that Hainan Island had been occupied only for military reasons, that the nature and duration of the occupation would not exceed military requirements, and that Japan had no territorial designs on the island. The American Ambassador called on the Japanese Foreign Minister and stated that, in view of the statements made from time to time by the Japanese Government that it had no territorial ambitions in China

and

⁷ Hong Kong's 50, February 12, 8 a.m.; Chungking's 98, February 12, 12 noon; 123, February 21, 2 p.m.

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 Department of State letter, August 10, 1972
 By Milton C. Hunsicker NARS, Date 12-18-75

- 6 -

and in view of the existence of substantial American missionary and educational interests and the presence of a number of American residents on the island, where no American consulate was maintained, the American Government would be glad to be informed of the intentions of the Japanese Government in connection with the occupation. The Foreign Minister repeated the earlier statements of the Japanese Government that Japan has no territorial ambitions in China and that the occupation will not go beyond military necessity.

The Japanese occupation of Hainan was extensively commented upon in the Shanghai foreign press and was felt to be directed against British and French lines of communication; Japanese assurances that the occupation was temporary received little credence.

It was reported that the Chinese Government viewed the occupation with but little concern, if not with some complacency. This may have been due to a belief that the Japanese invasion of Hainan would not materially affect the war on the mainland and perhaps, also, to a feeling that the Japanese occupation might result in a worsening of relations between Japan and Great Britain, France and the United States.

c. Operations in Central China:

On February 22 several columns of Japanese troops advanced west and northwest from Hankow; by the end of the month they had captured Yingcheng, Tienmen and Yokia-chow (the latter on the Han River) and one column was approaching Anlu on the Han River. It was believed by

SOME

8. Shanghai's 118, February 14, 11 a.m.

- 7 -

some observers that the Japanese would continue westward to occupy Shasi and Ichang, and also might advance northwest up the Han River valley with a view to threatening Sian. The latter objective, however, apart from the difficult terrain, would seem to require more troops than the Japanese now have at their disposal in that area. (It might be noted that a foreigner who recently returned from Sian reports that, despite the Japanese aerial bombings, the morale of the Chinese military and civilians in Sian was very high, and that work was progressing on the railway and on roads west of Sian in the direction of Lanchow, Kansu.)

Following the evacuation of a party of foreigners from Huling on February 22, and despite the presence on the mountain of 47 foreigners who refused to evacuate, Japanese troops attacked Huling; at the end of the month, however, it had not been captured.

d. Operations against Haichow, Kiangsu:

On February 25 Japanese troops landed at Antungwei on the southern Shantung coast, and, in conjunction with four other Japanese columns coming from the south and west, commenced an advance on Haichow, a port in north Kiangsu and the eastern terminus of the Lunghai Railway. (Haichow was captured March 4.)

9

e. Operations against Haimen, Chekiang:

On February 15 the Japanese naval authorities in Shanghai issued a notification stating that they intended shortly to commence operations against the port of Haimen, Chekiang, and asking that foreign vessels remove 30

miles

9. Shanghai's 124, February 16, 1 p.m.

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

- 8 -

miles from the Haimen area by February 17. It was believed at the time that the Japanese intended to undertake naval and military operations in Chekiang to check the trade carried on through the various ports of the province and thus deprive the National Government of an important trade outlet. Little reliable information has been received concerning Japanese operations against Haimen and observers in Shanghai were inclined to believe that no operations in force were undertaken by the Japanese.

f. Aerial activities:

The Japanese air force continued to be fairly active during the month. On February 20 and again on February 23 thirty Japanese bombers, apparently without pursuit escort, made raids on Lanchow, Kansu (an important point on the route of supplies from Soviet Russia through Sinkiang and reportedly an important Chinese air base); the Japanese claimed to have shot down some 80 Chinese planes during these two raids, while admitting the loss of four, but, according to other reports believed to be more reliable, the Chinese shot down nine bombers while losing four planes damaged. Other Japanese aerial operations included raids on Wanhaien, Szechwan (February 4, with heavy casualties reported); Kweiyang, Kweichow (February 5, 500 casualties and destruction of many houses); Sianfu, Shensi (February 5).

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

- 9 -

leased territory (February 21 - see page 3). A number of raids were also reported in Kwangtung, including that on Loting where an American missionary was injured (see page 1).

The Chinese air force was apparently increasingly active during February and it seemed evident that a number of new planes had been received. According to Chinese reports, raids were made February 6 on the Japanese air base at Yuncheng, southern Shansi, when 40 Japanese planes on the ground and some buildings were stated to have been destroyed. Other raids were reportedly made on various Japanese army supply bases and troop concentrations along the fighting fronts. As noted above, the Chinese air force apparently acquitted itself well during the Japanese air raids on Lanchow.

g. Guerrilla activities:

The Japanese launched an attack early in February against the large force of guerrillas operating in Central Hopei between the Tientsin-Pukow and Beijing-Hankow railways. The Japanese reported that the attack had been successful, that a "cordon" had been drawn around the area, and that several thousand guerrillas had been killed and many captured. It is understood, however, that, although a number of towns in central and southern Hopei were occupied by the Japanese, the main guerrilla forces were not caught in the "cordon".

The Japanese continued the operations commenced in January against guerrillas in Shansi, capturing Tsinglo in northwestern Shansi. According to Chinese and

independent

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

- 10 -

Independent reports, the Japanese suffered severe losses in these operations and it is evident that large guerrilla forces remain active in the province.

Guerrilla activities in Shantung decreased during February, as was apparent from the regularity of railway traffic.

Guerrillas continued their activities over a wide area in the Yangtze River valley. The Japanese military authorities stated that Japanese troops had been involved in over ninety engagements with guerrillas in the Shanghai area during February. According to Chinese reports, partially substantiated by a well informed foreign observer, the guerrillas and Chinese troops in Jiangsu, Chekiang, and Anhwei are being gradually reorganized and re-equipped, and trained leaders are being placed in command.

An American traveller from Paoitingfu reported that on February 22 guerrillas derailed and wrecked a Japanese military train north of Paoitingfu on the Peiping-Hankow Railway. The rail service from Peiping to Tientsin was interrupted February 7, due, reportedly, to damage inflicted by guerrillas upon a bridge near Langfang.

Mr. Poletti, the Italian Postal Commissioner at Peiping who was seized at the Ming Tombs near Peiping on January 8, supposedly by Chinese belonging to the 8th Route Army, was released and returned to Peiping February 16. It is reliably reported that his captors received orders for his release from General Chiang

Kai-shok

10. Peiping's 89, February 17, 3 p.m.

- 11 -

Pei-shen and it is understood that the ransom of Chinese \$10,000 was returned to Colletti. The Japanese controlled press in Peiping published distorted accounts of his captivity and release, obviously not wishing it to be known that the authority of the Generalissimo extended nearly to the gates of Peiping.

h. Hu Pei-fu continues to refuse
Japanese offer of puppet post:

As stated in the Embassy's January report, Marshal Hu Pei-fu refused to accept the post of "Pacification Commissioner", due to the failure of the Japanese to meet his conditions, one of which, reportedly, was a promise of withdrawal of Japanese troops from China within a specified time. No further developments were reported in February and it seemed evident that the Japanese plans for his return to political life had proved unsuccessful. Although headquarters of the "Pacification Commission" were set up by the Japanese in Kaifeng, Honan, under General Hu Yu-kun, one of Marshal Hu's subordinates (who was apparently won over by Japanese money), it is reported that the new organization has thus far accomplished nothing.

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

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Foochow/134 FOR #104

FROM Foochow (Rowe) DATED April 7, 1939
TO NAME 1-1127 ***

REGARDING: Sino-Japanese conflict: developments, in summary, for the
month of March, 1939.

FRG.

793.94/15035

15035

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

1. Japan.

a. Japanese air-raids.

79394
While Japanese military planes made frequent reconnaissance flights over various parts of the consular district, actual bombing raids were carried out at Chuanchow on March 3 and 22, at Changmen Forts (mouth of the Min River) on March 10, at Kuantow (on the Min River below Foochow) on March 11, at Foochow on March 21, and at Hankong on March 22, when one of the planes crashed and the pilot was reported captured. Property damage and casualties resulted from most of the raids.

Damage

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

-2-

Damage estimated at Yuan \$100,000 was done at Foochow to one of the two electric plants, an unused radio broadcasting station, the East Lake army barracks, and the gendarmerie barracks, but no serious casualties were reported, although about a week later unconfirmed rumors were current that almost one hundred men were killed and injured when the barracks were hit. American and foreign property suffered no damage.

This was Foochow's first air-raid since July 1938, and it served to create considerable anxiety among the populace, especially when toward the end of the month both the Chairman of the Provincial Government and the commander of this military area issued statements advising the people to leave Foochow for the interior.

b. Activities of Japanese naval vessels.

Japanese warships were active in patrolling the coast of northern Fukien during the month under review, and there were few days between March 9 and the end of the month when several were not anchored near the mouth of the Min River. Many incidents were reported of attacks made on junks and fishing boats.

On March 13 about twenty Japanese marines from a small gunboat made a landing at Tinghai, thirteen miles from Foochow, and destroyed the "Pao Chang" office. Upon the approach of the Chinese forces, however, it was officially reported that they departed without resistance, abducting two Chinese civilians. Other reports held that three Japanese were killed

and

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

-3-

and one of the three boats capsized. At any rate, the same town was shelled by Japanese warships on March 29, according to official sources, and eighty shells failed to produce any casualties.

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 25, 1939

Reference Shanghai's telegram of May 24, 11 a.m., to Swatow, repeated to the Department, concerning the expressed desire of the Japanese naval authorities to ascertain whether Japanese planes which raided Swatow on May 17 and 18 had damaged American property lying near the objective of the raids.

Swatow's telegrams of May 17 and 18 (attached), reporting the air raids on those days, indicate that Americans and American property were endangered but not injured, and the Consulate has not subsequently reported any injuries suffered by Americans or American property at Swatow.

No action on the part of the Department appears called for.

RC
FE:Chase:HJN

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

REB

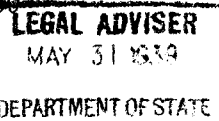
TELEGRAM RECEIVED

GRAY

Shanghai via N. R.

FROM Dated May 24, 1939

Rec'd 3:30 p. m.



Secretary of State,
Washington.

May 24, 11 a. m.

My May 12, 11 a. m. / 14992

I have received further letter from the acting Japanese
Consul General dated May 23 stating "that the naval author-
ities, desirous of avoiding any unnecessary complications
with third powers, states that on;

One. 17th May at 1:10 p. m., a Japanese air unit
attacked the Municipal Government of Swatow. During the
course of attack four bombs were dropped of which three
hit the objective, but one went off its mark and landed
at a point across a road approximately a hundred metres
east of a building which was sighted with the American
insignia. It is believed that no damage was done to the
building.

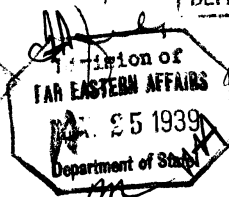
It is also to be added that the unit was attacked from
around the premises of the Municipal Government.

Two. The 18th at 6:55 a. m. another air unit attacked
the Municipal Government and it is reported that one of the
bombs

F/EG

793.94/15036

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793.94
493.101
393.115

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

REB

2- From Shanghai, May 24, 11a.m.

bombs missed the objective and dropped close to a building situated on the west of the Municipal Government and it is feared that slight damage might have been caused.

Three. It appears that the building with the American insignia mentioned in both of the above reports refers to the same building, however, the matter is still under investigation.

I shall be glad, therefore, if you will be good enough to supply me with any information that might reach you in this connection."

I should appreciate any comment on injuries to Americans or their property resulting from these raids.

Sent to Swatow, repeated to Chungking and Peiping, by mail to Tokyo.

GAUSS

CSB

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

793.94

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Swatow/136 FOR #47

FROM Swatow (Young) DATED April 7, 1939
 TO NAME 1-1127 ...

REGARDING: Sino-Japanese relations: developments, in summary, for the month of March, 1939.

FRG.

793.94 / 15037

15037

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

(b) Relations with Japan.

79394
(18 2-5)

The month of March opened auspiciously with a prolonged scouting flight of a single Japanese bombing plane* over the Chinghai coast and the city of Swatow during the course of which four bombs were dropped with the Swatow railway station as the objective. The bombs fell wide of their mark and only small property damage was reported with no casualties.

Apparently dissatisfied by the morning's efforts Swatow was again visited in the early afternoon by another single Japanese plane which left from Swatow in a northerly direction and later dropped two bombs on the Chaochowfu railway station causing small property damage and no casualties. Four bombs were dropped on the S Koy (慈溪) station killing two Chinese civilians and wounding two others. This station is located roughly two miles north of Chaochowfu.

Two weeks later on the 14th, a Japanese bombing plane appeared over Swatow and crossed over the harbor

and

*Telegram No. 2 to Department, March 1, 4 p.m.

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

-3-

and Kakehich to drop four bombs in Chaoyang (潮陽) on the motor launch jetty with the reported result that one Chinese woman was frightened to death and two men were injured. Damage to property was not great enough to be reported.

After an absence of ten days four Japanese planes visited Swatow during the early morning of March 26th² and in the midst of some aerial acrobatics of an elementary nature dropped six bombs on and around the Swatow railway station and indulged in wide-spread machine-gunning from a very low altitude, one policeman being slightly wounded by a machine-gun bullet in the leg, a part of the station being demolished and a short section of track torn up.

Three bombs were also dropped during the same raid on the jetty or landing from which the ferry for Kityang is loaded, supposedly because of the presence there of several motor trucks destined for lighterage to Kityang. The bombs all fell into the water but one sampan-man was struck by a bomb splinter which penetrated his abdomen and he subsequently died in hospital.

Later in the afternoon of the same day the civilian motor ferry on one of its regular trips from Kityang to Swatow was subjected to merciless machine-gun fire from a low flying Japanese plane when nearing Kwan-pou (關埠) approximately half-way between its two termini. Eight

Chinese

*Telegram 3 to Department, March 26, 1939.

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

-4-

Chinese civilians were killed outright and probably twenty were wounded, some so seriously that they were taken to Kityang for hospitalization. This exhibition of sheer vandalism on the part of the Japanese in inflicting death and injury to Chinese men, women and children has greatly incensed the local community.

Another plane proceeded to a Key where eight bombs were dropped near the railway station, thence along the railway line to the station at Foo Yang (浮陽) about ten miles south of Chaochowfu, where machine guns were used on the station. These two attacks resulted in no reported casualties and only slight damage to the objectives.

During the last few days of the month under review it was reported that between fifty and seventy fishing junks were captured off the Chinghai coast between Masu or Double Island, situated at the entrance to Swatow Harbor, and Namoa Island. A camouflaged Japanese motor fishing junk, escorted by a Japanese destroyer, effected the captures and the junks were towed to an anchorage in Namoa Island. The fate of the junks themselves as well as their operators is still unknown.

It is the expressed belief of many residents of Swatow that Japanese hostilities in this vicinity will be restricted to the use of bombs and machine-guns for some time to come and that the actual occupation of Eastern Kwangtung does not figure in the present plans of the Japanese.

(c) Relations of a General International Character.

Nothing to report.

(d) Occupation

3425

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

-5-

(d) Occupation of American Property.

On March 1st this consulate was notified by the Secretary of the South China Mission of the American Baptist Foreign Mission Society, resident in Swatow, that one of the residences belonging to the mission situated in Chaochowfu but which had not been in use for some time, was being occupied by Chinese troops. At the request of the Mission Secretary a letter of protest was addressed by this office to the Magistrate in Chaochowfu and it was later reported that the soldiers had been withdrawn.

042F

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

DCR

CHINESE STILL CONTROL OCCUPIED AREAS

The machinery of Chinese local administration has been running smoothly in most of the counties (hsien) in the war-zone provinces, according to the statistics released in mid-April by the Executive Yuan or the Cabinet of the National Government of China.

In parenthesis, it should be explained that a province is the largest administrative unit in China and a county or hsien is an intermediary unit with smaller divisions under it. A Chinese province may be composed of as many as 100 counties or as few as 50.

The eleven provinces which have been graphically surveyed are Kiangsu, Chekiang and Fukien along the sea-coast, Anhwei, Kiangsi, Hunan, Hupeh and Honan in central China, and Shantung, Shansi and Hopei in the north. This survey did not include Chahar and Suiyuan north of Peiping and Kwangtung, which has Canton as its metropolis.

Out of the total of 945 counties, 570 or 59 per cent of them are completely under Chinese control, while in 35 others or 5 per cent of them Chinese magistrates are still carrying out their administrative duties from their county seats although parts of these counties have been occupied by the Japanese troops. Meanwhile, in 257 counties, or 26 per cent of the total, Chinese magistrates are functioning in the suburbs. In eleven counties, or 2 per cent of the total, the magistrates are continuing their functions in the neighbouring counties.

Only in 72 counties, or a mere 8 per cent of the total, the Chinese magistrates have found it impossible to carry on their duties.---END.

793.94

Division of
EASTERN AFFAIRS
MAY 17 1939
Department of State

793.94/15038

793.94/15038

F/F/G

F/F/G 88

Earl H. Leaf

EARL H. LEAF
Apt. 6 A
212 East 48th St.
New York, N. Y.

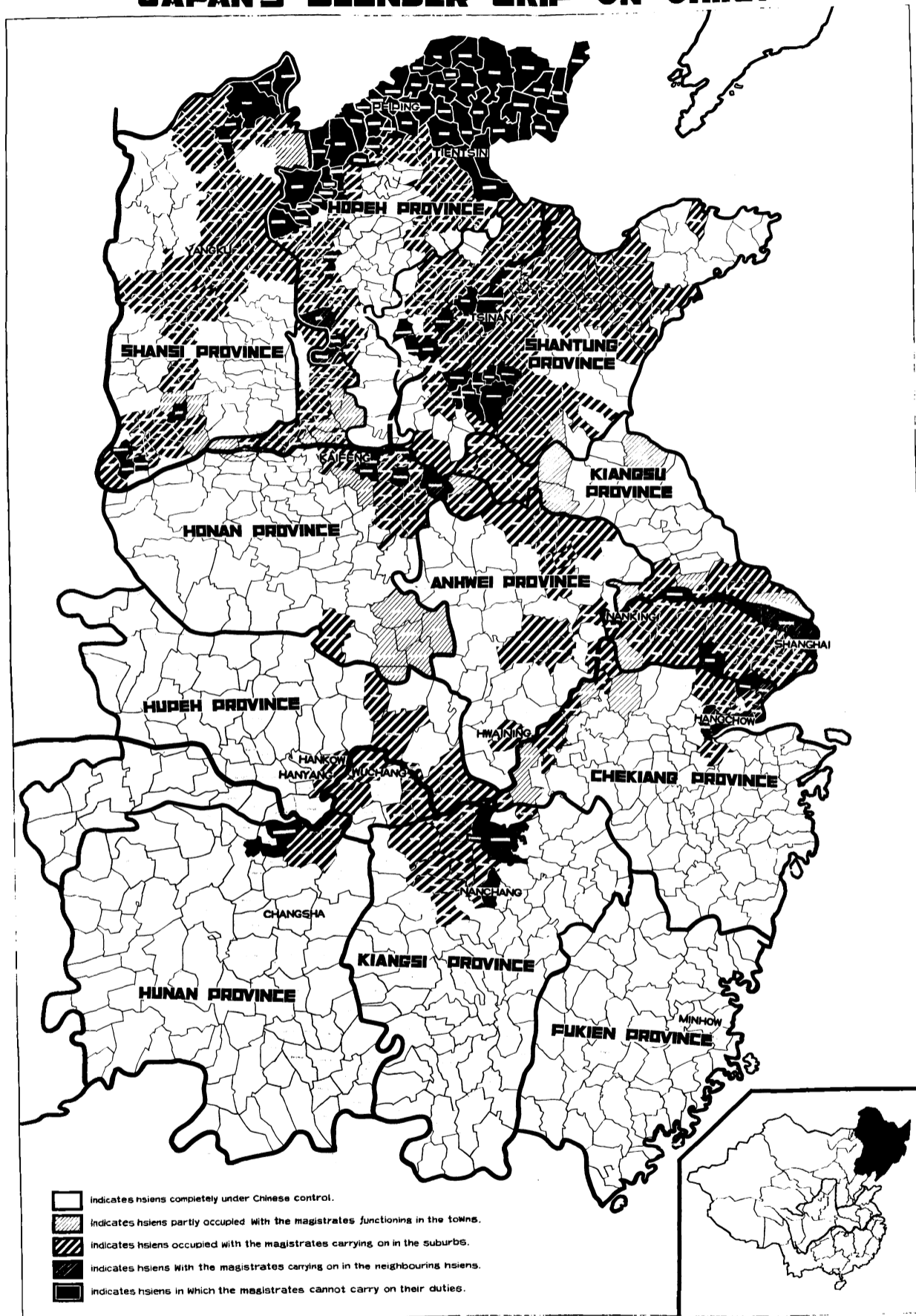
FILED
MAY 16 1939
DEPARTMENT OF STATE

CHINA INFORMATION COMMITTEE
PHOTO SERVICE

0427

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

JAPAN'S SLENDER GRIP ON CHINA



0428

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 1, 1939

Tsinan's despatch no. 67 of April 21 reports, as from missionary sources, that Chinese forces commenced bombardment of Kaifeng with "heavy field artillery" on April 12 and seemed likely to take the city; that Hsuehchow was under martial law; that Hsuehchow is the southern-most point for use of Federal Reserve Bank notes; and that Japanese efforts to arouse anti-British sentiment in the Hsuehchow-Kaifeng area have been unsuccessful, although British and other non-Japanese goods are subjected to discriminatory taxes (as reported separately by the Consulate).

Mc
FE:Chase:HJN

0429

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

No. 67.

AMERICAN CONSULATE, ONI-MID

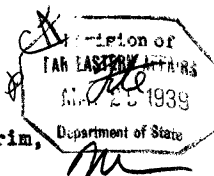
Tsinan, China, April 21, 1939.

1939 MAY 24 PM 2 21

SUBJECT: SOME ITEMS OF INTEREST FROM HSUCHOW
AND KAIFENG.

Willys R. Peck, Esquire,

American Chargé d'Affaires ad interim,
Peiping.



Sir:

I have the honor to report that two American missionaries from Kaifeng, Honan, arrived in Tsinan on April 16th, having left Kaifeng on April 14th. They report that the city was besieged by regular Chinese forces, employing heavy field artillery, for two days prior to their departure, that no trains left Kaifeng on April 13th and that the Japanese military authorities warned them to leave by the train which was dispatched on the 14th as they anticipated that railway communication with Hsuehow would be interrupted soon thereafter; the line was, in fact, cut near Tangshan (唐山) on April 15th or 16th, according to Chinese sources. The missionaries state that at the time they left Kaifeng the capture of that place by the Chinese forces appeared imminent.

A foreign business man who returned yesterday from a trip to Hsuehow, Kiangsu, reports that, according to Chinese sources, regular Chinese troops are within 7 or 8 miles of that place, that one train is now leaving

Hsuehow

793.94/15039

F/FG

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

- 2 -

Hsuehchow for Kaifeng daily and that, while Japanese military passes are obtainable, he was strongly advised by Chinese business contacts against making the journey to Kaifeng. They allege that the Japanese garrison in Kaifeng is barricaded within the city walls and that it is doubtful if any one would be permitted to enter the city from the extra-mural railway station.

Martial law is at present strictly enforced in Hsuehchow from 9 p.m. to daylight and no one is allowed on the streets during that period. All mail matter is being subjected to close censorship and is held in the Hsuehchow Post Office for a minimum of 48-hours, whether inward or outward. Both Federal Reserve Bank notes and National currency, as well as yen and Japanese military notes, pass as legal tender in Hsuehchow, but Federal Reserve Bank currency is not valid south of that place and passengers for Fukow are warned to change their money at Hsuehchow.

A large portion of Honan Province, normally commercially tributary to Shanghai, is now dependent on the port of Tsingtao via the Kiaotsi, Tsinpu and Lungshai Railways. Goods are now reaching Hsuehchow by rail from Shanghai in 6 to 8 days, and dealers in merchandise of small bulk which may be smuggled through the Japanese lines are reaping enormous profits.

The Consulate's informant states that a large-scale anti-British meeting is scheduled to be held in Hsuehchow on April 23rd. It appears that this movement in the Kaifeng-Hsuehchow area is officially inspired and is not receiving popular support. It is not, therefore, considered likely that any spontaneous boycott of British goods will result, though British and all other non-Japanese goods are being openly discriminated against in

Kaifeng

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

- 3 -

Kaifeng in the matter of taxation, as reported in the
 Consulate's despatch no. 29, dated January 26, 1939, file
 881/800.

Respectfully yours,

Carl O. Hawthorne,
 American Vice Consul.

800/690
 COH/KCC

Original to Embassy, Peiping,
 5 copies to Department,
 Copies to Embassies, Chungking and Tokyo,
 Copies to Consular offices, Shanghai, Tientsin
 and Tsingtao.

A true copy of
 the signed orig-
 inal

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

No. 67.

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 Tainan, China, April 21, 1939.

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 American Chargé d'Affaires ad interim,
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 Department of State letter, August 10, 1972
 By Milton D. Gustafson NARS, Date 12-18-75

- 2 -

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

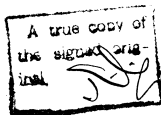
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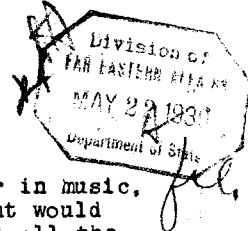
800/890
 COH/KCC

Original to Embassy, Beijing,
 5 copies to Department,
 Copies to Embassies, Chungking and Tokyo,
 Copies to Consular offices, Shanghai, Tientsin
 and Tsingtao.



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

NATIONAL CHRISTIAN COUNCIL OF CHINA
 Bulletin Number 36
 Shanghai, April 16, 1939
 Alice Gregg



93.94
 When the composer would tell the story of this War in music, there will be, we think, five parts. The first movement would recount the influx of refugees and wounded soldiers and all the loving labor to meet their needs, to be followed by the second, — the Great Exodus as the war front draws closer and closer, leaving at last only the helpless remnant and the Good Samaritans who stay to share their fate. The third movement would have much need of percussion instruments as the Day of Doom dawns, and the fourth would be a dreary, monotonous stretch: the weeks when starvation and disease must be grappled with, in isolation. Finally, the fifth movement, towards Reconstruction. This, in brief, is the story of every mission station over which the tide of war has swept, — excepting only on the East coast, around Shanghai where the third movement burst first, accompanied by the second.

Two long letters from Kiukiang, the one written by Helen Ferris, dated December 29, and the other by Mollie Townsend, Danforth Hospital, Kiukiang, under the date of February 10, have just come to hand. Both are printed letters, longer than this Bulletin, written for friends and supporters in America. We make no apology for using extracts as the Alpha and Omega of this Bulletin.

War's Aftermath in Kiukiang. Nine American missionaries have stood by in Kiukiang. Schools, of course, departed for the West last June, before Kiukiang fell on July 25th. Seven of the nine belong to the American Methodist Mission: Dr. and Mrs. Perkins and Miss Ploeg at the General Hospital, and Miss Mollie Townsend and Mrs. Jones at Danforth Hospital for Women. Miss Helen Ferris, of Rulison High School, and Miss Jenny Lind, of Knowles High School, combined forces at Rulison where they have carried on a Refugee Center these months since the occupation. The other two missionaries are Seventh Day Adventists.

The city is a shell of its former self, — only 5,000 out of the former population of 70,000 are left. Cholera, Dysentery, Malaria and Beri-beri, this last "in an almost epidemic form", have followed on each other. Miss Townsend of Danforth Hospital writes:

"Only one case of Beri-beri developed in our grounds, a man servant. I certainly did get busy searching for beans, peanuts, and any bits of green vegetables available with which to fight this malady. Along . . . came five gallons of codliver oil from the Associated Drug Company of Shanghai, but this, I reserved for my own "War Orphans" who are still getting a small dose daily. We found barley gruel a great help, . . . and that, with ten peanuts around a day, (makes them) as plump and rosy as you could wish.

"Now our thoughts are turning towards child welfare on a larger scale. In fact the question has been revolving in our minds for months and the time has come when we feel that we must do something about it. To the dozen children left to us in June we have already added another sixteen. These children are entirely destitute so that their future, for some time to come, is in our hands. But there is another problem and that is with regard to children who are not altogether destitute.

"There must be between 350-400 children roaming the streets

PTC - 187-1

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

of Kuikiang. They go about in groups of six or more with baskets on their arms, picking up bits of fuel, old rags and anything else they can get. They hang about wine shop and restaurant doors as well as all places where soldiers eat, awaiting the left-over rice and bits of fish. They learn smoking, drinking and many other degrading habits. These boys and girls are sinking to a scale from which it will be difficult to reclaim them to decent citizenship.

"What shall we do about it? This is a wonderful opportunity for Christian service and we are working towards some sort of temporary relief. Will it be a day camp? Or as Mrs. Perkins suggests, a sort of day nursery for older children with a hot meal served at noon? God must be looking on with interest to see what we are going to do about these His little ones. It is the opportunity of a lifetime".

Meetings in Hongkong. There has been another exodus from the Missions Building of National Christian Council and Council of Higher Education secretaries to Hongkong. Dr. W. Y. Chen, general secretary of the NCC, left before Easter that he might be in Hongkong to assist with preparations for the South China Regional Conference, scheduled for April 14-15. Dr. Chen will also go on to West China for the Regional Conference to be held in Szechwan in May.

The Council of Higher Education has called a meeting of College Presidents in Hongkong on April 17. In consequence, Drs. Cressy and Miao, secretaries of the Council of Higher Education, together with Dr. J. L. Stuart of Yenching, Dr. H. P. Lair, representing Chaeloo, and the Presidents or representatives from the four Associated colleges in Shanghai, have left this past week for Hongkong.

Following the meetings, Drs. Miao and Chen will go to Szechwan for a full program of several months in West China.

Representative of the Church Committee in West China. Last autumn a young woman arrived in Shanghai from the United States to do publicity work for the Church Committee on Relief. She sat in the NCC office for a week or ten days going through files, but, without any background of China, it was impossible for her to do the necessary reading between the lines. Then she decided that there was nothing to do but get out into China and see for herself. This decision taken, she set out with Dr. Robert E. Brown when he left for Chungking, and he did his utmost to make her into "an old China hand" in three months. He seems to have been a good teacher and she, an apt pupil, if we are to judge by the quality of the material that she sends back, — material that is the property of Dr. Fairfield's committee and not for use in China. That she can do more than write we gather from this paragraph from a letter from Chengtu:

"Speaking of the Church Committee, today I had tea with Joy Homer, the daughter of Louise Homer of opera fame. Joy is out here at her own expense, doing publicity work for the Church Committee for Relief. She is a tall, vibrant person, with a Smith College education and a stout heart for whatever comes along. She helped drive the Red Cross truck up here from Chungking this week, and will go on in it to Sianfu in another day or so. Bishop Shen will go back with them, too".

Miss Homer reminds us of the little boy who was "looking for adventures" and we admire her spirit. Good traveling to her as she goes to Sian.

Cooperatives in Sian. The following description of the springing up of Coops in Sian has come to us:

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

"Within the past months Sianfu has become a lively center of the Industrial Cooperatives, which are the big factor in helping to mend China's "economic fence". The dearth of goods behind the lines; the necessity of making what is needed rather than being forced to buy from those who are trying to follow military victory with economic victory; the tens of thousands of skilled workers who are refugees from east China industrial centers; the good effect of Cooperatives on the morals of the people; — all these factors combine to make smaller industries more feasible than big factories. When the workers realize that the enterprise is theirs on a cooperative basis, it is amazing the machinery and materials and workers that come to light. There are Transportation Cooperatives, Printing Cooperatives, Candy, Machinery-making, Blanket-weaving, Thread-spinning, Toy-making, Pen-making, Shoe-making and more additional varieties of coops. than anyone would dream of!"

The Sheng Kang Hui Church Bombed in Sian. Before Bishop Shen could get back to Sian, his new church, erected in 1935, was bombed. The telegram from Sian was dated April 2. Fortunately, no person on the compound was injured.

The following paragraph is taken from a letter written in Chengtu to friends in America by Miss Nowlin:

"In some ways he makes one think of Dr. Albert Schweitzer of Africa. He is a man of so many talents, — a poet, a musician, a man of literary ability in both English and Chinese, has studied in Oxford and Cambridge, is an eloquent preacher, both a mystic and a good business manager, — and chose to go out to be the first Bishop of the Chinese Home Mission diocese of dry, poverty-stricken remote Shensi! . . .

"All the staff are volunteers who have been willing to go to that hard field, rather than having been appointed to it and gone because someone decreed that they should".

The War Front in Chekiang. We tend to think that the War has moved West, but the following letter, written to Mrs. Ufford by a lady of the Pacific Coast Mission in Ikiao, Chekiang, and forwarded to us by Mr. Ufford, of the Baptist Mission in Shaoxing, Chekiang, brings the realization that War continues to the east of us, as well as to the west!

"This is our day of fasting and prayer. For days it has been rainy and misty, but this morning it is bright and clear. Just at nine o'clock as we were softly singing a chorus, all kneeling in our livingroom, without a moment's warning . . . a big bomb fell so near that windows flew open, pictures fell, etc. Pieces of shrapnel rattled on the roof and on the stones in the court. We all huddled together, and soon, from the low-flying plane, another loosened. We could hear it rattle, rattle, then 'Bang!' Some of our plaster cracked and little pieces loosened. The children were as still as mice, not a sound, — but whispered prayers could be heard and the buzz of planes above. When we could be free of them, we could still hear them in nearby villages. It is twelve noon. Back and forth they have been coming for three hours. Six terrible bombs have fallen here in the village — but there they have come again.

"3:30 p.m. . . About twenty more bombs have been dropped. As the planes cleared away, the wounded began to be brought in on stretchers. Our hall was filled with them. As we tried to wash away the dirt and somehow tie up the terrible gashes made by the flying shrapnel, the planes came repeatedly. No one can imagine the terror until one has been through it. O how precious it is to have Jesus at such a time . . ."

PTO - 187-3

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

"The Secret Place of the Most High". We close this Bulletin with a paragraph from the printed letter by Mollie Townsend, Danforth Hospital, Kiukiang.

"There is much that one can not put into a letter from this area at this time. And there is much that you will have to read between the lines all along. God has been with us and wonderfully blessed us. Many times during that day that Kiukiang finally fell (July 25th, 1938), when we were all huddled in the central hall way of the hospital in order to avoid the bullets whizzing in every direction through our grounds and buildings, I wondered how many of us would be left alive at its close. The little children were frightened into silence and only the infants cried. We all had to go without food that day save for a pot of soup which Dr. Peh had put on to cook early in the morning. Mrs. Jones crouching low, made her way to the kitchen and came joyfully back with the soup. The first real scare came about ten o'clock in the morning when the corner of the hospital roof was taken off by a shell from an incoming gunboat. Eyes widened and a couple of girls began to cry. Mrs. Jones got Bibles and had people huddle in groups. One in each group was asked to read the 91st Psalm aloud, after which they were to think about it. From this they all became calm and the day passed with Bible reading, praying and the singing of hymns. Much of the time the voices could not be heard above the roar of planes, machine guns, artillery and the constant booming from the incoming gunboats. A heavy shell took off the corner of the wash-house just by our kitchen door but not even a falling brick harmed the amah who was inside at the time. About five o'clock in the afternoon there was a lull so that we all could get food and prepare the children for bed. Rifle and machine gun bullets continued to whiz through our grounds. Fires sprang up in different parts of the city. Under the cover of dark, the man who furnished us milk, found his way in from a nearby field bringing five cows to take refuge with us and we were glad. Some of the fires were near our grounds and it looked as if some of our buildings might catch on fire. Mr. Chen and Mr. Wang decided to take turns watching and let Mrs. Jones and me get some rest, for we knew not what the morrow might bring forth. It was about one o'clock in the morning when we dragged a mattress to a corner of our living-room where there were two thickness of wall between us and the bullets. We were soon asleep. The following morning all was quiet outside and a Japanese messenger came with a poster for our gate."

(A poster to keep out looting troops, put up by the authorities of the incoming forces.)

"Yea, though I walk through the valley of the shadow of death,
 I will fear no evil; for thou art with me;
 Thy rod and thy staff, they comfort me".

Chinese Choir. The first number of the revived Chinese Choir, an English Bulletin devoted to the advancement of church music in the Chinese Church, is now available to choir leaders and others who are interested.

This Bulletin is edited by Prof. F. P. Jones, of the Nanking Theological Seminary, and Prof. J. W. Dyson, of Soochow University, and is published by the Seminary.

All those who wish their names on the mailing list are asked to drop a card to Prof. J. W. Dyson, The Blackstone, 1331 Rue Lafayette, Shanghai, China.

0439

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

file
LEGAL ADVISER
 MAY 23 1939
JE

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

DCR

May 20, 1939.

Dr. Frank W. Newman's letter of April 9 gives a vivid -- and spontaneous rather than propagandist -- account of an air raid at Hengyang, Hunan, the tragic destruction caused by the raid, and the heroic first aid work of missionaries which followed, apparently as part of a more or less daily routine. Information of practical interest to FE is confined to statements that Hengyang has suffered more air raiding than any other locality and that "the J's seem to be deliberately aiming for mission property".

793-94

RSC
 FE:Chase:HES

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

5/17/39

The attached copy of a
 letter of Apr. 9, 1939 from
 Mr. Frank W. Newman to
 his brother was left
 at the Dept., for its
 information, by Brig. Gen.
 Frank Watson (father-in-
 law of Mr. Newman).
 No action required.

3901 Comm. File

Brig. Gen. Frank Bingley Watson

Retired

5-15-39

United States Army

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

via airmail

Presbyterian Mission Hospital
 Hengyang, Hunan - Apr. 9 1939

Dear Stub and Noon-

Here's the dope on our latest air raid. I think you will not want to send this letter home but you can use your own judgment. We'd been having quiet due to the almost daily cloudiness since Jan. 12 when the bomb landed at the end of the garden. On April 4th eighteen planes came and bombed, but the bombs near us all fell into the river and did no great damage. We admitted half a dozen patients and all the rest went to the city health station. On the morning of the 6th, clear as a bell, came another signal at about ten thirty. At eleven o'clock came the urgent. We sat out in the yard enjoying the sunshine. The time went by and nothing happened. At 11.55 I said to Betty that if they did not appear in five more minutes we could have lunch. Bob and Ray and I had been having a good game of catch with an indoor baseball. Just then people started to run in all directions like chickens in a yard when the shadow of a bird passes over. We had heard nothing but decided to take to the shelter and were no sooner in the cellar than the planes were easily audible. A few minutes passed and we heard the anti-aircraft take a couple of feeble potshots, and then a few muffled bombs in the distance. Suddenly without any warning whine came a bomb seemingly just at our side, the wind whistling by, dust and smoke everywhere. Immediately after this another and then another in quick succession. These latter ones we heard whine and had ducked plenty. As soon as the sounds of the motors passed into the distance we climbed out to see what was left. All seemed quiet. Suddenly a frantic pounding on the outside gate. We opened and a group of a dozen of our mission workers with lime and powder all over them from head to foot came in in a frenzy and said Lucinda's house was hit and a dozen people trapped under it. We tore over and found that what appeared on our side to be the normal house was just the shell. The house itself had collapsed as completely as a brick house could. We went to the only gaps in the wreckage and tried to see or make ourselves heard to the victims.

Finally I heard Bob Lancaster's voice and he told me he was OK but could not move. And every move we made brought a few hundred pounds of slate and brick down on him. We rallied all the possible help and removed the debris by handfuls and in less than an hour Bob was out, none the worse but for a few bruises and a complete covering of dust. Then another friend was freed. And finally all of them (about five) were out. One was fatally injured, died the next day. A heck of a fine Chinese boy with whom we had been playing badminton here a few days earlier.

In the meantime the city had pretty well burst out in a hail of flames and the wind was brisk but not exactly in our direction so we could go ahead with the hospital without thinking too much about it. But at the hospital what a mess. Such a collection of mangled, crushed, burned humanity I hope I never see again. Mothers with children all on the same stretcher. One baby was found in one of the wards a few hours later, about three months or less, nobody had the slightest idea whose it was. Luckily we had four doctors to man two operating tables at once and they did one amputation after another. One other and I did our best to give first-aid as they were brought in but it was a madhouse. And every few minutes people would think they heard another plane or signal. That would have been a lot worse if anything could be worse than what we already had there. All afternoon until dark the same way. People in a panic, moaning and crying either for themselves in their agony or for their kin. Into the night we kept working until our sterile gauze was exhausted, then we all got busy and made more, got it sterilized ready for the morning. The moon was full and clear so we went to bed still in a jitter, and none of us slept much. In the morning we went back to the operating tables and the dressing rooms and by carrying out the dead finally had room enough for most of those that were left by putting the last few on straw on the floor. (more)

193.94/15041

1/15

-2-

By noon there were eleven unclaimed bodies in the morgue (which is designed for two only). We had admitted eighty and treated as many more in some way or other before they died or were carried home. This is two days later and now, of course, our staff have partly run away in terror so we have the usual problem of readjusting to the situation with diminished staff. We estimate roughly that Hongyang has now had air raids over a longer period of time and the mission here has had as much intensity of the stuff as any other of our mission stations. If the situation continues as it now seems to tend, we will have the additional pleasure of a visit from the artillery and infantry divisions of the rising sun. This may be delayed for a few weeks or months, and in the meantime I suppose we will have many more similar visits from the air department. I have just been for a walk on the street and took the movie camera. A still camera would do better, for everything is now very still. But the streets are still full of people and doubtless will continue so. One thing about China, you can do what you like to her but she will continue to have people. There are dozens of interesting and amusing sidelights on the situation. For example we have rescued three intact eggs from the wreck of Lucinda's house and half a dozen electric light bulbs. Betty is absolutely wonderful. She never loses courage. Every spare minute in the hospital helping with a difficult dressing here, seeing that others get their medicine, running home to give Ann her bottle, and then back again to speed up the making of sterile dressings and so on.

We all long for a good breath of free air when we don't have to worry about the emergencies of the day, and she, of course, longs for it the most. But she never mentions it. In fact she is the one who goes ahead most busily with all preparations for continuing here as usual. New curtains all over the house and more seeds for the garden are ~~xxx~~ the order of her day. Occasionally I suggest that perhaps she and the infants ought to give up and take a trip to HongKong, but she spurns the idea unless I will go and stay as long as she does. She won't even go to the comparative safety of the country on clear days unless I do. And how can I go ~~xxx~~ when some members of the hospital staff must stay on duty here? So we all stay and go to the cellar. Lucinda's reinforced cellar held up pretty well and so we will continue to use ours as before. The city is very widely destroyed, there having been probably at least a hundred bombs which were followed by terrific fires. Every patient who could possibly leave did so when the windows were all blown in, but the new cases more than made up for them.

I personally welcome this as a stimulus to my faith, which wears pretty thin at times. If conditions were just a little easier I'd be one of the first to run away. If my faith is real, it will hold fast as long as there is any work to be done here. If not, I suppose it will give way one way or another. ~~xxxxxxxxxxxx~~ We are wonderfully fortunate to have such a fine congenial group here, no weak sisters to increase the burden. The Chinese staff are good and bad. All the doctors have to be spurred off of their fannies when there's work to be done like this. Perhaps it depresses them and they avoid it for that reason. Anyway it makes me a bit sore to have to go round them up every few minutes when there are emergency dressings by the score to be done. Put them in the operating room and keep sending them cases to do, and they will do them, but not the way we'd like to see them done. The nurses are better for the most part. Some of them are truly wonderful in the courage and patience they show.

The Director and Asst. Director of the Hunan Kwangsi RR have been especially loyal and appreciative of our efforts, sending us lots of gauze and cotton from their own supply. Mr. Shih, Director, is chairman of the local Friends of Wounded Soldiers Association, of which I am the vicechairman. Today he sent us \$200 from their treasury to help with the work. Such men as these make it all seem worthwhile. When you see nothing from one day to the next but the tangled wreckage of bodies crying for water and help, it can eventually get you down. Another disconcerting factor is that the J's seem to be deliberately aiming for mission property. We don't like this thought.

Very much love, ----- P. S. Please write.

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

DOCUMENT FILE

NOTE

SEE 893.00/14372 FOR despatch # 50

FROM Canton (Myers) DATED Apr. 24, 1939.
TO NAME 1-1127 afo

REGARDING: Sino-Japanese relations.

Conditions in Canton and vicinity:
Report concerning -.

aa

793.94/ 15042

0444

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

DOCUMENT FILE

NOTE

SEE 740.00/1565 FOR Tel. #242, 11 p.m.

FROM Japan (Dooman) DATED May 23, 1939
TO NAME 1-1127 ***

REGARDING: Collaboration between the United States and Japan
in seeking a solution of the troubles in Europe
impossible so long as Japan adhered to its poli-
cies and actions in China.

mb

793.94/ 15043

15043

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

TELEGRAM RECEIVED

REB

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

FROM

GRAY

Tsinanfu via Tsingtao & N.R.

Dated May 21, 1939

Rec'd 4 p. m. 25th

Secretary of State,
Washington.

28, May 21, 5 p. m.

Referring to my telegram No. 27, May 19, noon, and
previous.

Situation somewhat easier and people allowed to enter
and leave city yesterday for the first time in three days.
No firing heard in Tsinanfu last two nights and martial
law now effective at midnight instead of at 10:00 p. m.

Repeated to Chungking, mailed to Peiping and Tsingtao.

HAWTHORNE

NPL

EMB

793.94/15044

F/F/G

044

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

REB

TELEGRAM RECEIVED

Swatow via N.R.

Dated May 25, 1939

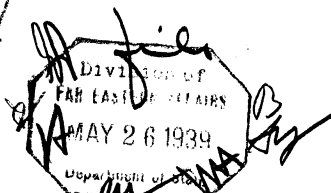
Rec'd 4 p. m.

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

Secretary of State,

Washington.

16, May 25, 5 p. m.



During yesterday's raid eighteen bombs dropped on central section of Chaoyang caused most damage to main street and magistrate's office. Eighteen persons reported killed and twenty-three injured with repair work continuing to remove those few still buried under debris. Plane carrier still outside harbor but no raids today account adverse weather. Repeated Chungking, Peiping.

YOUNG

CSB

793.94/15045

F/FG

044

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

~~SECRET~~

TELEGRAM RECEIVED

JR

GRAY

Tsinan via Tsingtao & N. R.

FROM

Dated May 22, 1939

Rec'd 7:40 a.m., 26th.

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

Division of
 FAR EASTERN AFFAIRS
 MAY 26 1939
 Department of State

Secretary of State,
 Washington.

29, May 22, 5 p.m.

One. In an effort to apprehend subversive elements in the city Japanese have ordered an immediate census of Tsinan. Ever since Japanese occupation Chinese have been required to register with police. Those who have registered since May 13th have been requested to report to Japanese gendarmery. Rumored that guerrilla leader captured on the 16th (as reported in my telegram 26) has confessed under torture names of certain colleagues and that above mentioned measures designed to expose them.

Two. Also rumored guerrillas captured small Japanese detachment near Tsinan on the night of the 16th.

Repeated to Chungking, mailed to Paiping and Tsingtao.

HAWTHORNE

KLP

793.94/15046

F/A

793.94

note

893 5011

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

TELEGRAM RECEIVED

FROM

JR

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone! (br)

Chungking via N. R.

Dated May 26, 1939

Rec'd 7:40 a.m.

Secretary of State,
 Washington.

349, May 26, 10 a.m.

Chungking was subjected to its fourth air raid
 during May when 27 Japanese planes visited the city
 shortly after 7 p.m., on the 25th, dropping a large
 number of heavy demolition bombs in an indiscriminate
 manner throughout the business section of the city
 adjacent to the Yangtze River (including the area directly
 bordering the river from the Embassy). A few bombs
 were also dropped in the vicinity of the military
 air field. Although details are lacking preliminary
 investigation indicates that casualties will run into
 the hundreds while property ^(*) is extensive. In so far
 as the Embassy has been able to ascertain there were no
 (repeat no) American casualties.

Repeated to Peiping and Shanghai.

PECK

RR:VWC

793.94/15047

F/FG

793.94
 note
 393.1115

IN PARAPHRASE
 G.O.P. AND
 IN CONSTITUTION

Division of
 FAR EASTERN AFFAIRS
 MAY 26 1939
 Department of State

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

(CONFIDENTIAL)

PARAPHRASE

CONFIDENTIAL

A telegram (no. 349) of May 26, 1939, from the American Embassy at Chungking reads substantially as follows:

A little after seven o'clock on the evening of May 25, twenty-seven Japanese airplanes subjected Chungking to the fourth air raid which it has suffered this month. Throughout the business section of Chungking adjoining the Yangtze, including the district directly contiguous to the river from the Embassy, a large number of heavy demolition bombs were dropped indiscriminately. In the neighborhood of the military air field there were a few bombs dropped also. There were no American casualties, so far as the Embassy has been able to learn. Details in regard to the damage done by the bombing are lacking. However, it appears from preliminary investigation that there were hundreds of casualties as well as extensive damage to property.

89.C
 FE:EGG:REK
 5/27/39

FE
 2000

0450

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Japanese civilian population of Canton, China.

Official announcement of the Japanese
Consulate General states that Japanese
population in Canton is now 4,415.
CANTON DAILY SUN of April 17, reports
classification as to employment of -.

aa

793.94 / 15048

For the original paper from which reference is taken

See Despatch # 48
(Despatch, telegram, instruction, letter, etc.)

Dated April 21, 1939 From Canton
TPI

File No. 893.5011/73

15048

0451
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

CROSS-REFERENCE FILE

NOTE

SUBJECT Political and economic developments in regard to
relations between China and Japan.

Transmits Circular issued Mar. 28, by the
Bureau of Social Affairs of the Wuhan
Peace Maintenance Society, and translation,
dealing with anti-foreign propaganda.

For the original paper from which reference is taken

See despatch # 583
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 8, 1939 From Hankow
Tg/

File No. 894.20293/23

793.94/15049

15049

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

CORRECTED COPY

RFP

This message must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

Swatow via N. R.

Dated May 27, 1939

Rec'd 6:30 a.m.

Secretary of State

Washington

17
 16, May 27, noon,

COPIES IN PARAPHRASE
 SENT TO C.N.I. AND
 M.I.D. IN CONFIDENCE

Division of
 FAR EASTERN AFFAIRS
 MAY 29 1939
 Department of State

The British Consul has received a telegram from the
 British Consul General at Canton and the commanding offi-
 cer of the British naval vessel stationed in Swatow,
 another telegram from his commander in chief, couched
 in practically identical terms, stating that information
 from "moderately reliable source" indicates that Japanese
 forces will attack Swatow by the end of May at the latest.
 This information was given to the heads of British firms
 on the evening of May 25 and spread rapidly throughout
 the city yesterday causing great uneasiness on all sides.
 Due to the fact that I have received nothing from Ameri-
 can authorities I am inclined to discount the above
 mentioned reports but feel obligated to inform the Ameri-
 can community.

Repeated to Chungking, Peiping, Shanghai.

YOUNG

RR

793.94/15050

F/FG

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

FE

TELEGRAM RECEIVED

EG

This message must be
 closely paraphrased be-
 fore being communicated
 to anyone. (Br)

FROM Swatow via N. R.

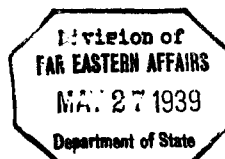
Dated May 27, 1939

Rec'd 6:30 a.m.

Secretary of State,

Washington.

See
 corrected
 copy



16, May 27, noon.

793.94

The British Consul (?) from the British Consul
 General at Canton and the commanding officer of the
 British naval vessel stationed in Swatow another tele-
 gram from his commander in chief couched in practically
 identical terms stating that information from "moderate-
 ly reliable source" indicates that Japanese forces will
 attack Swatow by the end of May at the latest. This in-
 formation was given to the heads of British firms on the
 evening of May 25 and spread rapidly throughout the city
 yesterday causing great uneasiness on all sides. Due to
 the fact that I have received nothing from American author-
 ities I am inclined to discount the above mentioned re-
 ports but feel obligated to inform the American community.

Repeated to Chungking, Peiping, Shanghai.

YOUNG

RR

793.94/15050

F/FG

0454

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram (no. 16) of May 27, 1939, from the American Consul at Swatow reads substantially as follows:

According to moderately reliable sources, Japanese forces will attack Swatow not later than the last of this month. Telegrams to this effect, phrased in practically the same language, were received both by the British Consul from the British Consul General at Canton and by the officer in command of the British naval vessel stationed in Swatow from his commander-in-chief. On the evening of May 25 the heads of British firms were given this information which, spreading quickly throughout Swatow on May 26, caused much uneasiness in all quarters. The American Consul feels obliged to inform the Americans living in Swatow although he is not inclined to place credence in the reports since he has received no information from American authorities.

EGC.
FE:EGC:REK
5/29/39

RSC
FE
RMW

045

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

DOCUMENT FILE

NOTE

SEE 893.00/14375 FOR Tel # 241, 4pm

FROM China (Lockhart) DATED May 26, 1939.
TO NAME 1-1127 070

REGARDING: Sino-Japanese relations.

A central Government for Japanese occupied
areas in China may be formed within the
next few months with Wang Ching Wei as
leader. Report concerning possibility of-.

aa

793.94/15051

15051

045

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

TELEGRAM RECEIVED

LEGAL ADVISER
 JUN 5 1939
 DEPARTMENT OF STATE

CJ

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

FROM FOOCHOW via N R

Dated May 27, 1939

Received 10:35 a.m.

COPIES IN PARAPHRASE
 SENT TO C. R. ...
 M. I. L. IN ...

Division of
 FAR EASTERN AFFAIRS
 MAY 29 1939
 Department of State

Secretary of State,
 Washington.

May 27, 11 a.m.

A Japanese seaplane dropped twenty bombs in five raids on Nantai and the city yesterday, the first since May 19. It returned this morning at 5:45 and carried out two more air raids dropping eight bombs. Casualties are reported to be numerous. Direct hit on electric plant therefore there will be no electricity for several weeks.

Cole reports bombing in Putien May 25 confined to American and British property with damage to American property estimated at thirty thousand Chinese dollars. Church roof displayed American flag.

The British Ambassador and Admiral Noble due to arrive at Foochow today.

Sent to Peiping, Chungking, Shanghai.

ROWE

RR:CSB

793.94/15052

F/FG

0 4 5 7

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

Confidential

CONFIDENTIAL

P A R A P H R A S E

A telegram of May 27, 1939, from the American Consulate at Foochow reads substantially as follows:

Admiral Noble (British) and the British Ambassador are schedule to reach Foochow on May 27.

It is reported that on May 25 there was bombing in Putien which was confined to British and American property. It is estimated that American property was damaged to the extent of \$30,000.00 (Chinese currency). An American flag was displayed on the roof of the church.

The first air raid on Foochow since May 19 took place on May 26. During the course of five raids on Foochow and Nantai that day a Japanese seaplane dropped 20 bombs. At a quarter of six on the morning of May 27, the seaplane returned and in two more air raids dropped eight bombs. There will be no electricity for several weeks as the result of a direct hit on the electric plant. It is reported that there were a great many casualties.

793.94/15052

EGC.
FE:EGC:HJN
5/29

FE

0458

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

TELEGRAM RECEIVED

CJ

FROM GRAY

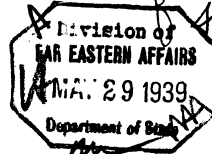
HANKOW via NR

Dated May 27, 1939

Received 11:05 a.m.

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

Secretary of State,
Washington.



116, May 27, noon.

One. It is generally believed in non-Japanese circles here that the Japanese offensive in the Hupeh-Honan border area: (1) temporarily occupied the towns claimed, (2) fail to annihilate any considerable bodies of Chinese troops, and (3) was finally reversed with serious losses through having over-extended itself and because of Chinese counter attacks. It is reported that Japanese troops and mechanized units are beginning to arrive at Hankow returning from the North.

Two. It now remains to be seen whether the new Japanese encircling campaign east of Tungting Lake is a substantial offensive or over publicized sorties against guerrillas.

Three. Chinese activities behind the Japanese lines continue undiminished, inflicting persistent small losses.

Repeated to Chungking, Peiping, Shanghai.

JARVIS

HPD

793.94/15053

F/FG

0455

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

~~FE~~

TELEGRAM RECEIVED

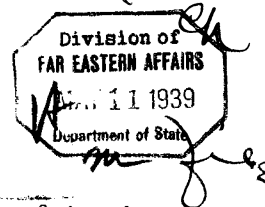
17 nyn 46 dl 7ex

FROM

FV NewYork NY May 11 39

May 19 1939

Secretary of State:



In behalf of national labor committee of American League for Peace and Democracy we ask State Department of United States to protest vigorously against Japanese edict stopping shipments of food medicine to Chinese people who are being invaded by Japanese .

A E Edwards.

National Labor Organizer

American League for Peace & Democracy.

268 Fourth Ave NewYorkCity.

793.94/15054

793.94

1030am.

RECEIVED
MAY 11 1939

EX-100

F/FG

0461

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

May 19 1939

In reply refer to
FE 793.94 ~~793.94/15001~~.

My dear Mr. Edwards:

The receipt is acknowledged of your telegram of May 11, 1939, in regard to the reported stopping by the Japanese of shipments of food and medicine to the Chinese people.

It is assumed that your telegram refers to the situation described in press reports under a Shanghai date line of May 9 to the effect that a Japanese spokesman had stated that hereafter the Japanese would prevent third power relief organizations from supplying food and medicine to Chinese refugees in cities under attack.

In response to a telegraphic inquiry from the Department requesting information in regard to the above-mentioned matter, a telegram has now been received from the American Consul General at Shanghai. The Consul

General

Mr. A. E. Edwards,

National Labor Organizer,

American League for Peace and Democracy,

268 Fourth Avenue,

New York, New York.

793.94/15054

F/FG

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

-2-

General states that he has been informed that in replying to a question raised by an American correspondent at a Japanese press conference on May 9, the Japanese naval spokesman said "the policy of the Japanese authorities is to prevent the shipment to Chinese areas of any material or goods tending to assist resistance of Chiang Kai-shek régime against Japan". The Japanese spokesman is reported to have added, however, that this did not apply to medical supplies unless such supplies contain chemicals which might be used for purposes other than the relief of the sick and wounded. The Consul General states further that, according to an American citizen prominent in relief work in China, no special difficulties have been experienced in shipping supplies to Chinese-controlled areas or to Japanese-occupied areas.

Your interest in this matter is appreciated and you may be assured that the Department is following very carefully every phase of the situation in the Far East and that it will continue to give special attention to the subject under reference.

Sincerely yours,

For the Secretary of State:

OK ✓ *Samy*
 MAY 19 1938

Maxwell M. Hamilton
 Maxwell M. Hamilton
 Chief

Division of Far Eastern Affairs

Eg.C.
 FE:ECC:JPS
 5-17

FE
 FE



0462

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

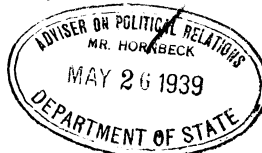
DEPARTMENT OF STATE
Memorandum of Conversation

DATE: May 18, 1939.

SUBJECT: Plans of Japanese Pacifists for Bringing about
Termination of the Sino-Japanese Conflict.

PARTICIPANTS: Mr. Kazuhumi Turuoka, Representative of the
Canned Foods Association of Japan, Tokyo, Japan
Mr. Ballantine.

COPIES TO:



Mr. Turuoka called and left with Mr. Ballantine the attached memorandum which deals further with the question he brought up on April 27 in regard to his views for putting an end to the Sino-Japanese conflict. Mr. Ballantine made no comment except to say that he would be glad to study Mr. Turuoka's memorandum.

In the memorandum left by Mr. Turuoka on May 18 he observes, "In regard to my former suggestions for stopping Sino-Japanese war by use of economic pressure on Japanese currency (numbers 2 and 3 under "F"), I now hesitate to use these methods for fear they would lead to war." He now suggests that while it is necessary to put an embargo on American munitions to Japan

this

793.94/15055

F/FG 15055

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

-2-

this should be accompanied by some gesture of goodwill to the Japanese nation and he proposes a Japanese-American trade arrangement.

Careful study of Mr. Turuoka's previous memorandum (see Mr. Jones' memorandum attached) in connection with his present memorandum indicates that his views in regard to present steps to be taken are not likely to provide a basis for constructive action likely to cause Japan to discontinue its aggressive course of action in China and are entirely impracticable. On the other hand, and with regard to the "final steps" proposed by Mr. Turuoka in his memorandum of April 7, paragraphs two and three contain points which would seem to merit being kept in mind in connection with formulation of a program for political reconstruction in the Far East. There is, however, nothing essentially new in these points, for they are in general in line with the recommendations of the Lytton Commission in 1932 and with suggestions which have previously been examined by FE. It should also be pointed out that, in view of the oriental tendency to give adherence to principles in the abstract without any intention to observe them in practice, Mr. Turuoka's points will not, even if accepted by the Japanese Government, necessarily establish adequate safeguards for a peace on a fair and just basis. What is more important, therefore, than the abstract principles

is

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

-3-

is the defining in unequivocal terms of detailed and specific stipulations governing the implementation of principles involved.

m.m.f.

gub
FE:Ballantine:JPS

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

A Proposal

To make the Japanese Government pause and think, it is necessary to put an embargo on American munitions. But in order to avoid a war between the United States of America and Japan, this should be accompanied by some gesture of good will for the Japanese nation.

The other day America sent the ashes of the late Japanese Ambassador to Japan on a United States heavy cruiser. Soon after that the Navy Department forwarded the fleet to the Pacific. Surely these two gestures balance each other.

So before the United States declares an embargo on scrap iron, it might make a gesture of good will to the Japanese nation. For instance, trade could be furthered by an extension of credit to Japan. After that, the embargo could be declared.

The Japanese-American trade arrangement could be illustrated as follows:

From the United States to Japan;

Cotton - 100,000 bales (one bale is 500 pounds)
 Price, delivered at port of Yokohama, \$5,000,000.
 Wheat - 100,000 tons (one ton is 33 bushels)
 Price, delivered at Yokohama, \$2,650,000.

From Japan to the United States;

Porcelain, toys, silk, shoes, miscellaneous goods.
 Price, delivered at port of New York, Yen, 28,333,333.

These transactions cancel each other by present calculations.

Trading Points or Suggestions

1. Mutual Credit System
2. A fixed date should be decided upon in order to effect this trading. On the day specified an exchange rate will be fixed. Both sides will trade up to the same amount of money.

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

3. Partners of trade.

A Japanese company could buy cotton and wheat from the United States government.

An American company could buy porcelain, toys, silk, shoes, and miscellaneous goods through the Japanese concern, at a price mutually decided upon.

4. Trading terms for both sides.

Both must trade up to a specified quantity in five years from the time of contract.

5. Method of payment.

On both sides, the amount of money will be on fixed deposit for five years, without interest. After that, the total will be paid in fixed yearly instalments of equal sums. Two per cent. interest will be paid annually for each deposit.

6. Guarantees for both sides.

The Japanese side will be guaranteed by the Yokohama Specie Bank.

The United States of America side will be guaranteed by the Export and Import Bank.

Note

In regard to my former suggestions for stopping Sino-Japanese war by use of economic pressure on Japanese currency (numbers 2 and 3 under "F"), I now hesitate to use these methods for fear they would lead to war.

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

DEPARTMENT OF STATE
 DIVISION OF FAR EASTERN AFFAIRS

May 22, 1939.

JMB:

It does not seem to me that the measures for economic and financial pressure against Japan set forth in subparagraphs 2, 3 and 4 of paragraph F of Mr. Tsuruoka's memorandum entitled "Suggestions for the Solution of the Sino-Japanese Conflict" are practicable.

Item no. 2 suggests that the Japanese have on deposit in the United States some 500,000,000 yen and that the United States might sell these yen in the market and force down exchange rate between the dollar and the yen. I am not aware that there are yen on deposit in the United States. It is my impression that Japanese funds on deposit in the United States are all in the form of dollars.

Item no. 3 is in fact a continuation of no. 2 and suggests that the United States acquire yen (for the purpose of selling them in the market) by selling American goods in Shanghai for Japanese money and by selling American businesses in Japan. According to the first suggestion the Export-Import Bank would acquire from the owners Japanese money paid in return for American goods. The Export-Import Bank has no authority to engage in exchange speculation and in my opinion it is impracticable to envisage the bank's entering into that sort of transaction. American firms

exporting

79394

the depreciated yen currency circulating in central China. It seems probable that a limited volume of this trade is already being carried on; however, in view of the fact that all shipments from Japan are under license and subject to close scrutiny, it is doubted that the Japanese authorities would allow indirect trade of this nature to grow to substantial proportions.

JMB
 FE: Jones:REK

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

DIVISION OF FAR EASTERN AFFAIRS

- 2 -

exporting to Shanghai must have reimbursement in money which has an exchange value and the yen circulating in China are already depreciated by about 50 percent compared with the value of the yen in Japan. If an attempt were made to put pressure on Japanese yen through transactions in Shanghai the value of the Japanese yen in Shanghai would undoubtedly decline even further. That would not necessarily affect the value of the yen in Japan since the yen circulated in China have to all intents and purposes been divorced from the Japanese currency system. In regard to the second suggestion, the Japanese Government could very easily prevent the transfer into dollars of funds obtained from the sales of American plants in Japan.

Item 4 as presented does not make sense to me but it gives the suggestion that Americans might import from Japan through American merchants in Shanghai, and those merchants in turn can pay for their imports from Japan in the depreciated yen currency circulating in central China. It seems probable that a limited volume of this trade is already being carried on; however, in view of the fact that all shipments from Japan are under license and subject to close scrutiny, it is doubted that the Japanese authorities would allow indirect trade of this nature to grow to substantial proportions.


FE: Jones:REK

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

15514

~~FE~~
HFA

TELEGRAM RECEIVED

JR
 This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

FROM
 Foochow via N. R.
 Dated May 28, 1939

Received 4 a.m., 29th.
 DIVISION OF FOREIGN
 SERVICE ADMINISTRATION
 Secretary of State
 Washington, D.C.
 JUN 1 9 1939
 DEPARTMENT OF STATE
 May 28, 8 p.m.

Division of
 FAR EASTERN AFFAIRS
 MAY 29 1939
 Department of State

793.94

The British Ambassador and Admiral Noble visited
 Foochow yesterday having made prearrangement with the
 Japanese naval authorities that there would be no bombing
 of this area between 9 a.m., and 7 p.m. Two air raids
 occurred here before 9 o'clock and Mamoi between here
 and Sharp Peak was bombed about 3 p.m., while they were
 here.

Today there were two raids here, the first at 6 a.m.,
 concentrating on Chinese tea firms on this island near
 American Catholic Mission property. Two villages nearby
 were bombed in the afternoon.

Electric current is cut off indefinitely, cutting
 water supply and this Consulate is dependent upon kerosene
 lamps and a meager supply of water from a well in the
 compound. Repeated to Peiping, Chungking.

ROWE

RR

793.94/15056

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

(CONFIDENTIAL)

PARAPHRASE

A telegram of May 28, 1939, from the American Consulate at Foochow reads substantially as follows:

There will be no electric current for an indefinite period of time, thus cutting off the supply of water. The Consulate is depending upon kerosene lamps and a very small supply of well water in the compound.

After making arrangements with the Japanese naval authorities that the Foochow area would not be bombed between nine o'clock in the morning and seven o'clock in the evening, Admiral Noble and the British Ambassador visited Foochow on May 27. Before nine o'clock in the morning there were two air raids on Foochow and about three o'clock in the afternoon, while Admiral Noble and the Ambassador were in Foochow, Mamoi (between Foochow and Sharp Peak) was bombed.

On the afternoon of May 28, two villages near Foochow were bombed. There were two air raids on Foochow on May 28, the first of which occurred at six o'clock in the morning. These raids concentrated on Chinese tea firms close to property of the American Catholic Mission on Nantai.

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CONFIDENTIAL

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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 O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF RESEARCH AND PUBLICATION

JUN 2 1939

June 2, 1939.

June 9 1939

Mr. Spaulding:

With regard to the second letter from Mr. W. H. Kaufman regarding communications between Secretary of State Stimson and Sir John Simon on the subject of the Sino-Japanese controversy, I submit the following considerations:

The previous letter to Mr. Kaufman of April 24, 1939 seems to refer to most of the printed material on the subject which could conveniently be sent him, and also to the other principal source of information, Secretary Stimson's book on The Far Eastern Crisis.

It is, of course, true that there exist in the Department files memoranda of telephone conversations between Secretary Stimson and Sir John Simon, dealing with the Sino-Japanese situation, on several occasions in February 1932, as well as communications from the American Embassy in London on the same subject. These, however, have not been made public and their use or the supplying of copies of them would appear to be governed by the provisions of Departmental Order No. 751 of April 5, 1938, regarding use of the original records of the Department of State by persons not officials of the United States Government.

F.W. 793.94/15057

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 Milton D. Gustafson NARS, Date 12-18-75

-2-

Government.

In answer to Mr. Kaufman's final request, for copies of what Sir John Simon said in discussing the Lytton Report, he might be referred to League of Nations, Official Journal, Special Supplement No. 111, pp. 49-51, where a report is given of Sir John Simon's speech on the Lytton Report before the Assembly of the League on December 7, 1932.

J. S. Beddie

RP:JSB:DKP:SS

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

June 9 1939

In reply refer to
RP 793.94/15057

My dear Mr. Kaufman:

The receipt is acknowledged of your letter of May 23, 1939 regarding your desire to obtain the texts of (1) "the British replies" to Secretary of State Henry L. Stimson's "request that Britain unite in warning Japan to stop aggression in Manchuria" and (2) "what Sir John Simon said in discussing the Lytton Report". You state that copies of the issues of Press Releases for January 30 and March 5, 1932 which are referred to in the Department's letter to you of April 24, 1939 were not enclosed.

The Department does not have available for distribution any further information or material relating to the discussions between Mr. Stimson and Sir John Simon than that which was contained in or transmitted with the Department's letter of April 24. The enclosures listed in that letter were

Mr. W. H. Kaufman,

Box 299, Route 2,

Bellingham, Washington.

793.94/15057

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

-2-

were not included with the copy of the letter that was sent to you by the Department on May 17. I am enclosing, herewith, however, copies of the issues of Press Releases mentioned.

With reference to your interest in "what Sir John Simon said in discussing the Lytton Report", it may be stated that a report of Sir John Simon's speech on the Lytton Report before the Assembly of the League of Nations on December 7, 1932 will be found on pages 49-51 of the League of Nations Official Journal, Special Supplement No. 111, which is available in the larger public libraries. A copy of the publication mentioned may perhaps be purchasable from the Columbia University Press, New York, New York, which as you know is the authorized agency in the United States for the distribution of the League's publications.

Sincerely yours,

For the Secretary of State:

E. Wilder Spaulding
 Assistant Chief, Division of
 Research and Publication

Enclosures:

Press Releases (Publications Nos. 280 and 299).



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

The Kaufman Plan for Majority Rule Through "Printed Town Hall"

Every Law the Majority Desires—At Every Election—No More "Legislative Lag!"

Adopted by Twenty-Three States — Forty-Five Million Population

The Greatest Political Invention in Human History

W. H. KAUFMAN, Organizing Secretary
 Father of the Direct Legislation Movement in U. S. A.

Box 299, Route 2, Bellingham, Wash., U. S. A.

Division of
 FAR EASTERN AFFAIRS
 JUN 6 - 1939

DEPARTMENT OF STATE
 MAY 29 1939
 DIVISION OF
 RESEARCH AND PUBLICATION
 1939

Department of State,
 Washington, D. C.

Sirs:

The rejection by Sir John Simon and other British diplomats of Sec. Stimson's request that Britain unite in warning Japan to stop aggression in Manchuria, started the disintegration of the League of Nations - was, probably, the most important event since the organization of the League. In The Far Eastern Crisis, (pp 163-5 or 193-5) Sec. Stimson writes that he several times urged Sir John Simon to unite in warning Japan; I quote from memory "As the British government, for reasons satisfactory to itself, seemed unwilling to take action... I did not desire to probe into their reasons. But being convinced Britain would take no action, I desisted". Somewhere there must be a record of Sir John Simon's replies. I wish his exact words. Am writing The British Foreign Office - possibly they have issued a White Book. Can you offer any suggestions as to where I may obtain the British replies?

The Oress Releases, Jan 30 and March 5, mentioned as 'enclosed' were not enclosed.

In The Far Eastern Crisis Sec. Stimson give in full the texts of communications to Japan and to China and their replies - in which I am not specially interested - but does NOT give the text of British replies, in which I am very greatly interested.

With best wishes,

What will it cost to have photostatic copies of Sir John Simon's replies (2 or 3) to Sec. Stimson sent me. I would also like copies of what Sir John Simon I said in discussing the Lytton Report. Have written Columbia Press. Int 16, Covenant, provided for action in case of aggression. Britain refused to act - which encouraged Mussolini & Hitler to ignore the League.

793.94/15057

F/EG

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

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.



DEPARTMENT OF STATE
WASHINGTON

In reply refer to
RP 793.94/14880

May 17, 1939

My dear Mr. Kaufman:

The Superintendent of Documents, Government Printing Office, has referred to the Department of State your letter of May 1, 1939 in which you inquire in regard to publications containing correspondence between Secretary of State Henry L. Stimson and Sir John Simon or the British Foreign Office.

Information on the subject of your inquiry will be found in the Department's letter to you of April 24, 1939 a copy of which is enclosed.

Sincerely yours,

For the Secretary of State:

Enclosure:

To Mr. Kaufman,
April 24, 1939.

E. Wilder Spaulding
E. Wilder Spaulding
Assistant Chief, Division of
Research and Publication

Mr. W. H. Kaufman,

Box 299, Route 2,

Bellingham, Washington.

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

Department of State

BUREAU } RP
 DIVISION }
 ENCLOSURE
 TO

Letter drafted.....

ADDRESSED TO

Mr. W. H. Kaufman.....

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

[COPY: LAR]

In reply refer to
 RP 793.94/14880

April 24, 1939

My dear Mr. Kaufman:

The receipt is acknowledged of your letter of April 7, 1939 in which you request copies of correspondence between Secretary of State Henry L. Stimson and the British Foreign Office regarding Manchuria. You refer in this connection to "British replies ... by Sir John Simon".

*not
enclosed*

The Department of State has not issued any publication containing correspondence such as you describe. There are enclosed, however, copies of the issues of the weekly printed Press Releases for January 30 and March 5, 1932 containing on pages 97 and 240-242 respectively (1) a statement by Mr. Stimson referring to a recent discussion with the British Ambassador in regard to the crisis at Shanghai and (2) statements by Sir John Simon at a meeting of the Council of the League of Nations in which he referred to his having been in close consultation with the American Government in relation to the conflict between China and Japan. While the Department can assume no responsibility for the accuracy of statements contained in publications which are not official, it is suggested that you may care to consult Mr. Stimson's book The Far Eastern Crisis (New York, published by Harper and Brothers for the Council on Foreign Relations, 1936), which is available in the larger public libraries.

I am enclosing as of possible interest a copy of the pamphlet entitled Conditions in Manchuria, which contains the texts of communications between the Government of the United States and the Governments of China and Japan, of communications between the Government of the United States or its representatives and the League of Nations or its representatives, and of certain other documents pertaining to the controversy between China and Japan in relation to Manchuria.

Other publications dealing with Far Eastern affairs are enumerated on page 18 of the enclosed copy of the pamphlet Publications of the Department of State and on certain pages of the enclosed copy of price list 65,

Foreign

Mr. W. H. Kaufman,
 Box 299, Route 2,
 Bellingham, Washington.

3 4 / 5

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

-2-

Foreign Relations of the United States. Remittances for publications named in the pamphlet and price list should be sent directly to the office of the Superintendent of Documents, Government Printing Office, this city, who is the authorized distributor of Government publications.

Sincerely yours,

For the Secretary of State:

E. Wilder Spaulding
Assistant Chief, Division of
Research and Publication

Enclosures:

1. Press Releases (Publications Nos. 280 and 299).
2. Conditions in Manchuria.
3. Publications of the Department of State.
4. Price list 65.

0481

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



EMBASSY OF THE
 UNITED STATES OF AMERICA
 Chungking, March 20, 1939.

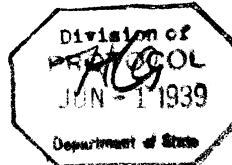
No. 161.

Subject: Delivery to Dr. H. H. Kung, Minister of Finance, of a Letter from the Secretary of State.

RECEIVED
 DEPARTMENT OF STATE

1939 MAY 29 PM 2 22

DIVISION OF
 COMMUNICATIONS
 AND RECORDS



Mr. [Name]		Mr. [Name]		Mr. [Name]	
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793.94/15059

The Honorable

The Secretary of State,
 Washington.



Sir:

I have the honor to acknowledge the receipt of
 the Department's instruction No. 150, of February 2,
 1939, enclosing a letter from the Secretary of State
 for delivery to Dr. H. H. Kung, Chinese Minister of
 Finance.

An opportunity to deliver this letter was im-
 mediately requested of Dr. Kung and was first afforded
 when Dr. Kung invited to tea on the afternoon of

March 17,

F/FG

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

- 2 -

March 17, 1939, the American Chargé d'Affaires and his wife, Dr. Oliver C. Young, Associate Director General of the Salt Administration, Dr. Arthur N. Young, Financial Adviser to the Ministry of Finance, and Mrs. Young, all American citizens.

Dr. Kung did not read the letter in the presence of his guests, but he evinced great pleasure at receiving the communication from the Secretary of State.

Respectfully yours,



Willys R. Peck,
Chargé d'Affaires ad interim.

Original and one copy to the Department.
Copy to Peiping.

845

WRP:MCL

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

LEGAL ADVISER
 JUN 9 1939

TELEGRAM RECEIVED DEPARTMENT OF STATE

*For copy of paraphrase see
 793.94/15061*

FROM

JR
 This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

Foochow via N. R.

Dated May 29, 1939

Rec'd 1 p.m.

Secretary of State,
 Washington.

IMS IN PARAPHRASE
 SENT TO O.N.I. AND
 M.I.D. IN CONNECTION

Division of
 FAR EASTERN AFFAIRS
 JUN 31 1939
 Department of State

May 29, 5 p.m.

Several schools were hit in two air attacks on
 Foochow city this morning only one bomber appearing each
 time. The Chinese Red Cross reports that during the first
 machine guns were fired upon a launch a few miles above
 the city causing forty casualties among the passengers.
 More reports of unprovoked atrocities committed upon
 defenseless fishing boats.

Sent to Peiping. Repeated to Chungking, Shanghai.

ROWE

RR:FS

793.94/15060

F/A

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

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TELEGRAM RECEIVED



FS

FROM

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

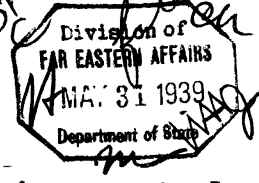
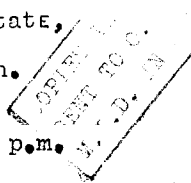
Foochow via N. R.

Dated May 30, 1939

Rec'd 10:05 a.m.

Secretary of State,
 Washington.

May 30, 5 p.m.



793.94

Latest reports on yesterday's attack by Japanese bombing plane on a crowded river ferry are that it first dropped a bomb near the boat then descended to the water and taxiing around it opened fire with machine guns killing thirty two passengers and injuring many more. Later when the airplane was circling in the vicinity of the Union Memorial Hospital Chinese troops at Southgate drill field fired at it and it immediately departed dropping remaining bombs in rice fields. This is the first instance of Chinese resistance to an aerial attack here this year.

Sent to Peiping; repeated to Chungking, Shanghai.

KLP

ROWE

793.94/15061

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 Milton D. Gustafson NARS, Date 12-18-75

Confidential

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CONFIDENTIAL

PARAPHRASE

A telegram of May 29 and a telegram of May 30, 1939, from the American Consulate at Foochow reads substantially as follows:

On the morning of May 29 there were two air raids on Foochow. Only one bomber appeared each time. Several school buildings were hit. During the first raid a crowded river ferry a few miles above Foochow was machine gunned resulting in forty casualties among the passengers, according to a report from the Chinese Red Cross. Latest reports in regard to the attack on this ferry indicate that, after first dropping a bomb near the boat, the bombing plane came down to the water, taxied around, and fired with machine guns, killing thirty-two passengers and injuring a large number. When the bomber was circling about later near the Union Memorial Hospital, it was fired upon by Chinese troops at Southgate drill field - the first time this year that the Chinese have resisted an air raid. The bomber left immediately dropping its remaining bombs in fields of rice. There are further reports of unprovoked atrocities upon unprotected fishing boats.

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793.94/15061

FE:EGG:HJN
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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 O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 740.00/1606 FOR Tel. #92, noon

FROM Finland (Schoenfeld) DATED May 25, 1939
TO NAME 1-1127 ***

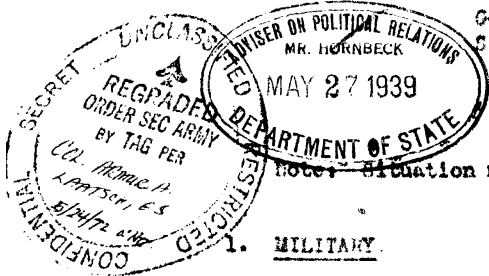
REGARDING: Japanese representative at the Board meeting of Bank
of International Settlements spoke with unusual
frankness of the Far Eastern situation and ad-
mitted that realization was growing that China
could not be overcome.

793.94 / 15062

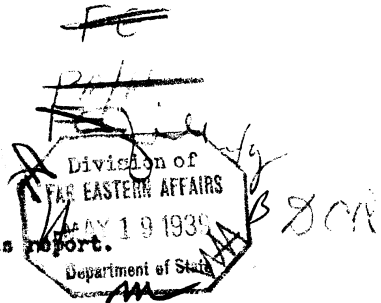
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15062 -

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

CONFIDENTIAL



G-2 Digest of Information
 SINO - JAPANESE SITUATION
 May 5 - May 19, 1939



Note: Situation map does not accompany this report.

1. MILITARY.

a. Large scale operations have been confined to Central China. There the Japanese attack northward between the Ping-Han railway and the Han river developed into a sizable operation involving at least three divisions. In its final form the offensive became a rudimentary strategic envelopment with one column pushing west from the vicinity of Sinyang and others continuing to advance straight north up the corridor between the river and the railway. Ground has been gained to a maximum depth of 50 miles and considerable damage has been inflicted on the Chinese forces, but no decisive results have been achieved. Apparently the offensive is now losing its impetus.

Comment: The offensive developed on a larger scale than was necessary to accomplish the simple indicated purpose of protecting the north flank of the Japanese concentration in the Han river bend and possibly providing similar protection for a subsequent push toward Ichang. It is quite possible that its expansion was an afterthought based on the belief that important Chinese forces had been fixed south of the Tapieh mountains and could be destroyed. Another possible explanation may be the desire on the part of the Japanese to establish themselves in summer positions above the malaria and dysentery zone of the Han valley. While evidence is still not given to the long prevalent rumors of a large scale converging offensive on Sian, the fact must be recognized that the ground gained would be desirable for this purpose.

b. On all other fronts less activity has been reported than at any time this year.

c. On May 12 a group of six French officers headed by General Berger, retired, arrived at Chungking. It is understood that they are the nucleus of a French military mission which will take over the duties of the von Falkenhausen mission. While their work apparently is being carefully separated from French official diplomatic activity in China, they unquestionably constitute a reply on the part of France to Japan's pressure on and around Indo-China.

2. MISCELLANEOUS.

a. The past fortnight has been characterized by widespread diplomatic and military-political activity focused on what the Japanese regard as unsatisfactory conditions in the foreign settlements and concessions in China.

CONFIDENTIAL

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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. Gustafson NARS, Date 12-18-75

~~CONFIDENTIAL~~

On May 6 the Japanese at Tientsin expressed extreme dissatisfaction at the attitude taken by the concession authorities in that city toward their various demands and spoke of "appropriate measures" which they would take. Apparently well-founded rumors circulated that seizure of the concessions and perhaps of the Legation Quarter at Peiping impended, such action to be simultaneous with or immediately subsequent to the occupation of the International Settlement at Shanghai. Shortly thereafter, however, these apprehensions waned and the British concession authorities at Tientsin continued to deal with matters presented to them by the Japanese on the several merits of each case.

The struggle around the International Settlement at Shanghai continued to be the most important and in many ways the controlling factor in the situation. Early in May the Japanese Vice Minister for Foreign Affairs handed an identical aide-memoire to the American and British Ambassadors at Tokio proposing various changes in the administration of the Settlement which, if effected, would make Japanese authority paramount there. Meanwhile the American Consul General at Shanghai reported that, in his opinion, a Japanese military occupation of the Settlement impended. On May 11 the Shanghai Municipal Council and the authorities of the French Concession issued a joint proclamation announcing that persons (i.e., Nationalist Chinese) using the Settlement and Concession for unneutral political activities would be expelled therefrom. In addition more stringent police measures were instituted. These happenings ameliorated the local situation at Shanghai to some extent. On May 17 Ambassador Crow presented an American note to the Japanese Foreign Office declining to accede to the aide-memoire previously referred to.

Meanwhile on May 12 Japanese naval forces landed at the International Settlement at Kulangsu Island in Amoy Harbor alleging danger to Japanese naval officials and failure of the authorities to capture the murderer of a pro-Japanese Chinese. Subsequently demands were made for what was, in effect, Japanese control of that International Settlement. In view of the similarity of status of the two settlements, this action at once was coupled with the Shanghai situation and was regarded as either a definite precursor of military occupation of the Shanghai International Settlement or as a strong feeler to test out third-power resistance. The Kulangsu authorities declined to accede to the Japanese demands, setting forth certain juridical reasons. British, French and American non-of-war arrived at Amoy and also landed armed parties on May 17, whereupon the Japanese withdrew the bulk of their forces.

Comment: The fortnight has seen no new developments in the underlying issues involved in the controversies concerning the Settlements and Concessions. There has been emphasized, however, the primacy of the Japanese armed forces, particularly the Navy, in initiating pressure and the reluctance of the Foreign Office to embark on the radical adventures in policy that may be involved. Authoritative observers have pointed out that occupation of the International Concession

~~CONFIDENTIAL~~

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

~~CONFIDENTIAL~~

at Shanghai would do more than provide substantial booty and abolish an important focus of financial, political, economic and even military resistance. It would also provide a claim for a concrete and permanent victory heretofore denied the Japanese forces in the interior and consequently would tend to consolidate the Home Front.

b. The schism alluded to above as existing between the Japanese Foreign Office and the Armed Forces has been emphasized by the continuance of controversy over the expansion of the Anti-Comintern pact into a more binding agreement between Japan, Italy and Germany. It is now clear that this issue is still real and alive with Generals Itagaki and Keiso advocating the Services' proposal for a formal and binding tripartite alliance. While the fate of the proposed treaty is still uncertain, it is apparent that tension exists within the Hiramasa cabinet and predictions of its fall are beginning to be heard.



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-3-

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

No. 69.

RECEIVED
 DEPARTMENT OF STATE

AMERICAN CONSULATE,

1939 MAY 29 ~~Taiwan~~ 2, 57 China, April 26, 1939.

DIVISION OF
 COMMUNICATIONS
 AND RECORDS

SUBJECT: ANTI-FOREIGN PROPAGANDA.

Willys R. Peck, Esquire,

American Chargé d'Affaires ad interim, ^{file} ~~Director~~ of
 Far Eastern Affairs
 Peiping.

Sir:

I have the honor to report that an official inspection party, including the puppet Governor of Shantung and his Japanese "Adviser" and the Chief of the Special Service Section of the Japanese Army at Tainan, visited Changtsing (長清), a town on the Yellow River a few miles southwest of Tainan, on April 24th, "where they were welcomed by over 4,000 people under the leadership of the Magistrate," according to the quasi-official press. The press adds that, at a mass meeting held in the afternoon of that day, "the authorities made speeches in which they urged the suppression of the Kuomintang and Communism, the support of the Provisional Government, the establishment of a new order in East Asia and cooperation with the Japanese in shaking off the yoke of the white men, such as the French, British and Russians."

While, at the moment, the influence of the new regime with the people in the territory under its actual or nominal

control

793.54/15064

F/FG 15064

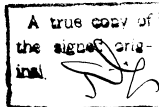
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
 Department of State letter, August 10, 1972
 By Milton D. Gustafson NARS, Date 12-18-75

- 2 -

control is admittedly more superficial than fundamental, the effectiveness of officially-inspired propaganda has been amply demonstrated by the crystallization of public opinion in line with government policy in such countries as Germany and Italy. Therein lies a real danger to foreign rights and interests in occupied China, in the opinion of this Consulate. And it should not be forgotten that a numerically important element in China has for years considered that the so-called unequal treaties under which certain foreigners, including Americans, enjoy extraterritorial rights in this country, and whereby certain sections of Chinese territory, which were obtained under duress, are administered by foreigners, are humiliating to a people who may justly be proud of their ancient civilization and rich cultural heritage. The Japanese announcement of their intention to bring about the "true independence" of the Chinese people who, they allege, have been kept in a "semi-colonial status" by the foreign powers, will therefore be acclaimed by several millions of Chinese in occupied territory. Of this, competent observers can have no doubt.

In this connection, it will be recalled that the Kuomintang has in the past taken advantage of the popularity of the movement for the abolition of the "unequal treaties" to strengthen its own position with the masses. It now appears that the Japanese are adopting the same means in their efforts to attain the same end.

Respectfully yours,



Carl O. Hawthorne,
 American Vice Consul.

820.02/800
 COH/KCC

Original to Embassy, Peiping,
 5 copies to Department,
 Copies to Embassies, Chungking and Tokyo,
 Copies to Consular offices, Tientsin and Tsingtao.

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

15618

TELEGRAM RECEIVED

EDA

This telegram must be
 closely paraphrased
 before being communi-
 cated to anyone (A)

FROM PEIPING VIA N.R.

Dated May 31, 1939

Received 7 a.m.

Secretary of State

Washington

249, May 31, 1 p.m.

CONFIDENTIAL. 793.94/15005

Chungking's 332, May 15, 1 p.m.

One. The person named therein has returned to
 Peiping and has informed me that he was impressed at
 Chungking by the spirit of hopefulness and determination
 and the apparent belief held by some that China would come
 through the present crisis in a much stronger position
 than seemed possible a few months ago. He attributes
 much of this to Wang Ching Wei's defection which he
 states clarified the political situation at Chungking
 in belief that Japanese capacity to wage war has about
 reached its limit and a feeling that Japan is becoming
 war weary and is in fact seeking a way to end hostilities.

Two. Informant believes that Wang Keh Min will
 tender his resignation in the near future. From another
 source believed to be reliable it is learned that Wang
 Keh Min is more discouraged and is more anxious to be
 relieved of his responsibilities than at any time since

he

793.94/15065

F/FG

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

5619

EDA - 2 - #249, May 31, 1 p.m. from Peiping

he assumed office. There is good reason to believe that through Chinese channels Wang has received an intimation from Chiang Kai Shek that he (Wang) has accomplished for the Chinese all that he could reasonably be expected to accomplish in his present position and that his relinquishment of office under the Provisional Government is now in order. There seems to be current thought that Wang Ching Wei will appear on the scene in Peiping in the reasonably near future, especially if Wang Keh Min should retire. Reports that Wang Ching Wei is no longer in Indo-China are believed here, some vouching for his presence in Shanghai while others say that he has proceeded to Japan. Chinese affiliated with regime here declare ^{that} emphatically he is in Japan. Whatever the case may be, if Wang Keh Min retires the way would be open for Wang Ching Wei to step into the breach and be the leader of a Federated Government with Peiping as the titular capital. Whether Wang Ching Wei would align himself with the northern politicians whereas his natural leanings are probably in the direction of the south, and presumably with the Nanking regime, creates speculation but there are very definite indications that Wang Keh Min is seriously considering resigning if indeed he is not on the verge of it. An atmosphere of impending developments, sometimes

felt

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

15620

EDA - 3 - #249, May 31, 1 p.m. from Peiping

felt but not often very tangible in form, prevails in
Peiping at present.

Repeated to Chungking, code text by air mail to
Tokyo.

LOCKHART

RR:CSB

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

5521

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A confidential telegram (no. 249) of May 11, 1939, from the American Embassy at Peiping reads substantially as follows:

Dr. Leighton Stuart who has recently been in Chungking has returned to Peiping (see telegram no. 332 of May 15 from Chungking). The Counselor of the American Embassy has been informed by Stuart that the spirit of determination and hopefulness and the obvious belief of some that China would emerge from the present crisis in a great deal stronger position than appeared possible a few months ago impressed him at Chungking. Much of this is due, Stuart thinks, to a belief that Japan has about reached the limit of its capacity to carry on war, to a feeling that Japan is growing tired of war and in fact is looking for a way to bring the conflict to an end, and to the desertion of Wang Ching-wei which, according to Stuart, cleared up the political situation at Chungking.

It is Stuart's belief that soon Wang Keh-min will submit his resignation. Wang Keh-min is more disheartened and more desirous of being relieved of his responsibilities than at any time since he took over office, according to another source which it is felt is reliable.

793.94/15065

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

-2-

reliable. Sufficient ground exists for the belief that the Generalissimo has intimated to Wang Keh-min through Chinese channels that he (Wang) had done all that it was reasonable to expect him to do for the Chinese in his present position and that it is in order now for him to give up his office under the Provisional Government. It appears that there is in circulation the thought that within a reasonably short time Wang Ching-wei will appear in the picture in Peiping, especially in case Wang Keh-min should resign.

Credence is given in Peiping to reports that Wang Ching-wei has left Indochina, some saying that he has gone to Japan and others affirming that he is in Shanghai. It is emphatically declared by Chinese connected with the Peiping régime that Wang is in Japan. In any case, the way will be open, in the event Wang Keh-min resigns, for Wang Ching-wei to come forward in his place and head a federated government having as its nominal capital Peiping. Indications are very definite to the effect that if Wang Keh-min is not already on the verge of resigning he is considering the matter seriously. As it is likely that Wang Ching-wei's natural leanings are toward the South (presumably with the régime at Nanking) there is speculation whether he

would

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

-3-

would cast in his lot with the politicians in the North. There is prevalent in Peiping at the present time, although not in very tangible form, an atmosphere of impending developments.

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

793.94

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations: developments for the month of
 Feb., 1939.

For the original paper from which reference is taken

See #753 to Embassy
(Despatch, telegram, instruction, letter, etc.)

Dated March 15, 1939 From Tientsin (Caldwell)
 To

File No. 893.00 P.R. Tientsin/132-

793.94/15066

/5066

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

B. Relations with Other Countries.

1. Japan.

a. Marshal Wu Pei-fu. Considerable publicity

793.94

-2-

licity continued to be given in February to the possible "emergence" of Marshal Wu Pei-fu (吴佩孚) as Chairman of the "Pacification Commission" to be established at Kaifeng, Honan, by the Japanese military but it was noted that press reports, mainly of Japanese origin, began to dwindle toward the end of the month and, although these reports announced that he had "launched a peace movement to deliver the Chinese people from the horrors of war", Marshal Wu remained in Peiping and the indications were that he had no intention of "emerging" unless on his own terms. (2) Despite the absence of the Chairman, the "Pacification Commission" was formally inaugurated on the 2,599th anniversary of the founding of the Japanese Empire (February 11). Preparations for the opening were made by General Hu Yu-k'un (胡毓坤), a former Commander of an Army corps in Manchuria and a person of no great importance, who had been despatched by the Japanese military from Peiping to Kaifeng for that purpose.

b. Guerilla Warfare. Railway traffic between Tientsin and Peiping was interrupted for one day when, on the night of February 6-7, guerillas damaged a bridge and tore up some rails near Langfang. Following this attack by the guerillas, similar to their activities from time to time on other railways in North China, the Japanese undertook a fresh "mopping-up" campaign against them in central and south Hopei which, Japanese reports at the end of the month stated, had been "successfully completed". On the other hand confidential statements from Chungking reported that the guerillas continued to harass

-3-

harass the Japanese military in North China and that 45 of the 130 hsien in Hopei and 17 of the 19 hsien in "East Hopei" were under the control of Governor Lu Chung-lin (鹿鍾麟), the National Government appointee. Although statements from the opposing sides are doubtless exaggerated, it appeared that the Japanese had occupied a number of towns in central and south Hopei where, Japanese reports stated, guerilla forces numbered 70,000 and 50,000, respectively.

The Japanese claimed that they had occupied numerous towns, including Tayingchen (大陽鎮), Kucheng (故城), Wucheng (武城), on the Hopei-Shantung border; Hokien (河間), Sienhsien (獻縣), Chiao-ho (交河), Kih sien (冀縣), Ankuo (安國), Nankung (南宮), Pahsien (霸縣), and Wuyi (武邑). However, it would appear that the Japanese campaign was by no means "successfully completed", since it has been characteristic of the guerillas to withdraw from a town on hearing of the advance of the Japanese only to reoccupy it later. Although this method of warfare may have no decisive bearing on the final termination of the Sino-Japanese conflict, it has hampered the Japanese economic and military program in North China.

Accurate information is difficult to obtain from the interior in regard to the progress of this war within a war, but the following excerpts from a letter received from a missionary at Weihsien, Hopei, is illustrative of the nature of the struggle and the difficulty faced by the Japanese:

"Since

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

-4-

"Since last November the fighting on all sides of us has been more or less active, a let up now and then as they would zig-zag back and forth. The E.R.A. (eight Route Army) ordered the whole city to evacuate while they battled a few miles outside. The people obeyed almost to a man, leaving a very few to try and look after their homes. We five ladies felt to stay in this time, and with us a number of our Chinese helpers. After a bitter struggle the Japanese entered here February 3rd about 3:30 a.m. There was only one or two watchmen killed as all the army was outside. What a desolate empty city they found! Almost daily battles are fought in small towns and villages around, heavy losses on both sides, and a few nights in and over the city, the ones on the outside not yet giving up."

The Japanese military headquarters in Peiping was reported in the press as planning an extensive road building program in central and southern Hopei, connecting the important towns in the interior with the Tientsin-Pukow and Peiping-Hankow Railways, in order to facilitate operations against the guerillas and to maintain lines of communications for the transportation of troops and supplies.

Several travelers from Shansi who called at the Consulate General reported that guerilla warfare continued in that province in much the same manner as described above. The Japanese appear to have made no serious attempts to cross the Yellow River in southern Shansi and to take Tungkwan, nor to cross the river in northern Honan in the advance on Chengchow. Conflicting, and perhaps exaggerated, reports were received in regard to the hostilities in Shansi; the Chinese claimed to have made an air raid on a Japanese military base, Yungcheng(运城), destroying many Japanese planes, whereas the Japanese

claimed

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

-5-

claimed that two mopping-up campaigns were "successfully concluded" and that others were progressing.

c. Miscellaneous.

General Sugiyama, Commander of the Japanese forces in North China, with headquarters in Peiping, visited Tientsin on February 7th and, on the following day, the restrictions placed by the Japanese military on the borders of the foreign concessions were partially lifted. (5)

Consul Tanaka of the local Japanese Consulate General visited Japan for about three weeks in February and on his return stated to an officer of this Consulate General that he had attended a meeting in Tokyo of Japanese consular officers stationed in China.

It was reported in the press that the Japanese plan to establish a Consulate General at Taiyuanfu, Shansi, where approximately 5,000 Japanese are said to be residing. This city appears to be the most firmly "occupied" place in that province.

Lieutenant General Kita, former Chief of the Japanese Special Mission in North China and now advisor to the "Provisional Government" is reported to have visited Japan in February. In addition to the peace plan advanced by Wang Ching-wei (汪精衛), and the more or less indefinite plans of Marshal Wu Pei-fu, it was reported that Lieutenant General Kita had made his own plan for peace, which envisaged the establishment of a "new" Kuomintang government at Nanking.

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

79394

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments, in summary, for the month of April, 1939.

793,94/15067

For the original paper from which reference is taken

See #792 to Embassy
 (Despatch, telegram, instruction, letter, etc.)

Dated May 5, 1939 From Tientsin (Caldwell)
 To

File No. 893.00 P.R. Tientsin/131

15067

7

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

B Relations with Other Countries.

1. Japan.

793.94
(114-3)

a. Trade Control Measures. Of greatest importance to American and other foreign commercial interests in North China were the activities of the Japanese in connection with the control of trade and finance in North China. Restrictions on certain of the more important commodities entering into the export trade of Tientsin were continued and were connected with Japanese efforts to secure control of trade and finance in North China through the Japanese-controlled Federal Reserve Bank.

Japanese military interference with the transportation by American firms of export articles from the interior to Tientsin were continued and were the subject of representations to the Japanese authorities. (1)

b. Guerilla Warfare. Japanese sources continued to report overwhelming successes by the Japanese armies in their campaigning against Chinese guerilla forces in Hopei and Shanai provinces, but first-hand information obtained by the Consulate General from foreigners residing and travelling in the interior do not confirm these reports. The guerillas have maintained and apparently strengthened and co-ordinated their

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

-2-

their control of all areas of both Hopei and Shansi outside the railway zones with the exception of districts north and east of Peiping and Tientsin. In central Hopei American observers report that the Japanese during the past few months have sent out units of considerable numbers of troops who have burned and looted villages, paying particular attention in their looting to cotton and grain, but have failed to establish control over any areas away from the railway. The same sources report that when small units of a few hundred Japanese soldiers are left in villages as garrisons they are either wiped out completely by the Chinese partisans or besieged, and in some cases are reduced practically to starvation before relief can be sent to them from the Japanese garrison points along the railway; and that where the Japanese formerly sent out raiding parties of one or two hundred men they have now found that these parties simply disappear, being ambushed and slaughtered by the guerillas, and now send out parties of not less than a thousand men. An American who visited Taiyuanfu and other large towns in Shansi during April reported the Japanese in firm control of the Cheng-T'ai Railway and the city of Taiyuanfu, but considerably harassed by Chinese guerillas and partisans and unable to exercise any effective control in the interior. Taiyuanfu, which was formerly a city of about 250,000 and one of the most prosperous and bustling trade centers of North China, he reported as now having no more than 100,000 inhabitants who

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

-3-

who are dependant mainly upon the Japanese army for their subsistence.

c. Japanese Troop Movements. The Japanese-controlled press laid great emphasis on the arrival at Tangku toward the end of April of Japanese troops alleged to number about 25,000. Another source which has usually been found to be reliable reported the arrival at Tangku of about 40,000 Japanese troops with artillery and horses and the departure therefrom of about 7,000.

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

793.94

CROSS-REFERENCE FILE

NOTE

SUBJECT Situation in the Far East: review of developments of past week.

793.94/ 15068

For the original paper from which reference is taken

See Memorandum
(Despatch, telegram, instruction, letter, etc.)

State Department
 Far Eastern Division
 (Salisbury)
 Dated May 25, 1939 From To

File No. 890.00/146

FRG.

15068 -

0508

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

REB

TELEGRAM RECEIVED

This telegram must be _____ HANKOW VIA N.R.
 closely paraphrased before being communicated
 to anyone. (br)

FROM Dated June 1, 1939

Rec'd 3:35 p. m.

Secretary of State,
 Washington.

June 1, 2 p. m.

There have been during the past month repeated
 rumors of Chinese communist forces appearing in the
 Siangyang sector of the Han ^{river} (A) front. Units of the
 new Fourth Army led by Yeh Ting were said to have con-
 centrated northeast of this city before the recent un-
 successful Japanese offensive in northern Hupeh. It was
 then rumored that ten divisions of communist troops
 under K'ung Ho Chung had arrived in this area. The latest
 report is that the 115 Division of the Eighth Route Army
 commanded by Lin Piao is advancing southeast from
 Siangyang.

These rumors are passed on to the Embassies for
 evaluation.

Sent to Chungking, Peiping.

JARVIS

KLP

NPL

COPY IN PARAPHRASE
 SENT TO ONI + MLD
 IN CONFIDENCE

Division of
 FAR EASTERN AFFAIRS
 JUN 2 - 1939
 Department of State

793.94/15069

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

Confidential

~~CONFIDENTIAL~~

P A R A P H R A S E

A telegram of June 1, 1939, from the American Consulate General at Hankow reads substantially as follows:

Rumors that Chinese communist forces had appeared in the Siangyang sector of the Han (?) front have been heard repeatedly during the month of May. It was said that prior to the recent unsuccessful offensive made by the Japanese in the northern part of Hupeh Province, units of the new Fourth Army with Yeh Ting in command concentrated to the northeast of Hankow. There were then rumors to the effect that there had arrived in the Hankow area ten divisions of communist troops led by K'ung Ho-chung. The 115th Division of the Eighth Route Army under the command of Lin Piao is proceeding from Siangyang to the southeast, according to the latest reports.

793.94/15069

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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. Quisenberry NARS, Date 12-18-75

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments of the month of
March, 1939.

For the original paper from which reference is taken

See #2022
(Despatch, telegram, instruction, letter, etc.)

Dated Apr 22, 1939 From China (Lockhart)
To

File No. 893.00 P.R./156

U. S. GOVERNMENT PRINTING OFFICE 1-1540

FRG.

793.94/15070

15070

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

4. Japan:

a. The military situation:

79394
 (pg 8-19)

The Japanese attack on Nanchang, which resulted in the capture of that city after a ten days' campaign, was the most important military operation undertaken by the Japanese since the fall of Hankow and Canton in October 1938. Haichow, Kiangsu, was occupied by the Japanese March 4. In the Han River area, the Japanese captured Anlu (Chungshiang) March 5 but were thereafter held in check by determined Chinese resistance. Fongmoon, Kwangtung, was reportedly taken by the Japanese. The Japanese apparently made no serious effort to cross the Yellow River and it was felt by competent observers that the Japanese forces in the northwest were insufficient to permit a successful attack on the strong Chinese forces guarding the northwest line of communications. There were rumors late in March of an impending Chinese offensive.

b. Capture of Nanchang:

The principal Japanese military operation during March was the attack on Nanchang, capital of Jiangxi province. It will be recalled (October 1938 report) that, following their occupation October 27 of Tehan,

on

14. Reuters, London, March 25.

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

- 2 -

on the Hukiang-Nanchang Railway, the Japanese forces pushed south for about 13 miles to the Hsiu (Hsiu) River and there stopped or were unable to proceed further. During the third week in March a force of some 60,000 Japanese troops, assisted by naval and air forces, commenced a drive on Nanchang. Japanese advance guard crossed the Hsiu River near Yungshui March 18; two days later the main forces crossed and advanced southward in several columns which included strong mechanized units. Anyi and Fengshui (30 miles west of Nanchang) were taken March 22, and on March 26 the Japanese arrived on the west bank of the Kan River, opposite Nanchang, entering the city March 27. Following the capture of Nanchang, one Japanese column proceeded a few miles south, cutting the Chekiang-Kiangsi-Hunan railway March 28, and another Japanese column continued southwest, occupying on April 2 Luochan, an important point 30 miles southwest of Nanchang on the Nanchang-Changsha highway. (Japanese naval forces, cooperating with the army in the attack on Nanchang, captured Tuchang on the east shore of Poyang Lake March 18, and Wuchenghsien, at the mouth of the Kan River on the west shore, March 23.)

While the Japanese columns mentioned above were attacking southward, another strong Japanese force advanced westward along the highway to Kunming, and, despite much more vigorous Chinese resistance than was encountered by the southern columns, Kunming was occupied March 29.

The occupation of Nanchang by the Japanese was a serious blow to the Chinese, as the Japanese advance cut

the

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

- 10 -

the Chekiang-Hunan railway, the most important line of communications for the transportation of military and food supplies between Chekiang, Kiangsu, Anhwei, Kiangsi, and Hunan; furthermore, the rupture of the railway in large degree severed connections between the Chinese forces in the west and their troops and guerrillas operating east of Nanchang; in Kiangsu, Chekiang and Anhwei. It was expected that the Japanese would shortly commence an attack on Chengsha from Tuning and Hsuan, as well as from their lines south of Yochow, Hunan; the occupation of Chengsha and surrounding districts would give the Japanese control over the valuable Chinese antimony and manganese mines in Hunan. That the Chinese high command was alive to this danger was indicated by the report that large reinforcements had been sent to Hunan.

c. Occupation of Haichow:

The Japanese advance on Haichow, northern Kiangsu, which began during the last week in February, continued without much opposition and the city was taken March 4; the Japanese also occupied Hwaiyin, Hwaiian, and Fowning in northern Kiangsu. The capture of Haichow, the eastern terminus of the Lunghai Railway, gave the Japanese control over one of the most important and lucrative salt producing districts in China.

d. Operations in the Han River area:

The Japanese attack in the Han River area west of Hankow, launched February 22, met with considerable resistance from the Chinese, and, although the Japanese on March 5 occupied Anlu (Chunghsiang), on the east bank

of

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

- 11 -

of the Han River, they were unable to cross the river in force. The fighting in these operations was reported to have been exceptionally bitter and the casualties on both sides were heavy, some informed sources placing the Japanese casualties as high as 10,000.¹⁵

e. Miscellaneous military operations:

The Japanese attack on Huling (February report) was apparently suspended, the Japanese presumably feeling that the Chinese forces on the mountain were immobilized and would eventually be compelled to surrender or attempt to escape.

During the last few days of the month the Japanese began a drive on Hongmoon, Kwangtung Province, a treaty port and important city near the mouth of the West River. According to press reports, Hongmoon changed hands several times, but was finally occupied by the Japanese. It seemed likely that these operations would be further extended in the rich West River delta, control of which might be expected to strengthen the Japanese position in South China both militarily and economically.¹⁶

17

The Japanese reported that on the night of March 20 a Japanese detachment from Yuanwu, Honan, north of the Yellow River, crossed the river and occupied Chingshui, some ten miles north of Chengchow, thus, reportedly, threatening that city.

The Japanese claimed that their troops had

effected

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- 15. Embassy's (Chungking) 214, March 27, 5 p.m.
 - 16. Canton's unnumbered April 4, 4 p.m., to Embassy (Peiping) and the Department (March political summary).
 - 17. Romei, Peiping, March 22.

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

- 12 -

effected a crossing of the Chientang River south of Hangchow, Chekiang; this operation was apparently intended to immobilize Chinese troops in Chekiang while the attack on Nanchang was being developed.

f. Aerial activities:

The Japanese air force was very active during March, rendering effective assistance in the Japanese attack on Nanchang and carrying out numerous raids on and behind the Chinese lines. Japanese reports indicated that Japanese aircraft devoted considerable attention to the so-called Chinese "Red Route" of communications, but it is perhaps significant that, whereas a number of raids were reportedly made on Tunghuan, Sian, Pingliang, Yenan, and Hinghsia in the northwest area, no mention was made of any effective raid on Lanchow, Kansu, where, it will be recalled (February report), nine Japanese bombers were reportedly shot down on February 18 and 23; it should be mentioned that, according to common press report, the Chinese air force at Lanchow includes a number of Soviet planes manned by Soviet pilots.

18

According to Japanese reports, important raids were made on Hinghsia (March 7); Sian, Shensi (March 7, 8, 14, 15); Yenan, Shensi (so-called "communist capital", March 7); Ichang, Hupeh (March 7, 8, 14); Loyang, Honan, and Tung-huan, Shensi (March 12); Pingliang, Kansu (March 15); Chengchow, Honan (March 17, 18, 23); Siangyang and Fancheng, Hupeh (March 18). Raids were also reportedly made during the month in Kwangtung, Fukien and Hunan provinces, as well as in Jiangsu Province in connection with the

Japanese

18. Domesi reports during March,

- 13 -

Japanese attack on Haichow and guerrilla operations in that region.

According to Chinese and independent reports, heavy casualties resulted from many of the Japanese air raids on populous cities; the Chinese reported that over 800 civilian casualties occurred at Ichang on March 8 and that 1,600 houses were destroyed during the several raids on that city; a competent foreign observer reported that the severe Japanese raid on Sian March 7 resulted in approximately 4,000 casualties, including about 1,000 killed; foreign reports stated that over 200 casualties in a refugee camp were caused by the Japanese bombing of Chongchow on March 17. The damages suffered by American missions and the killing of a British missionary are reported above. (see pages 2 and 7).

The Chinese air force was apparently not particularly active during March; according to Chinese reports, Chinese planes on March 10 bombed and blew up two Japanese military depots at Kuhu; on March 13 bombed Japanese troops and a naval concentration near Kukou, Hiangsi; on March 13 bombed Japanese troops and munition dumps at Yungohi, southern Shansi; and on March 22 bombed two Japanese air-dromes near Canton, reportedly destroying ten Japanese bombing planes on the ground.

g. Guerrilla activities:

The Japanese military authorities in Peiping announced March 4 that central and southern Hopei had been cleared of "remnant Chinese troops, estimated at about 50,000", but subsequent Japanese reports during the month made frequent mention

19. Embassy's (Chungking) 268, April 17, 10 a.m.
20. Bomei, Peiping, March 5.

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

- 14 -

mention of engagements with Chinese forces in the 31
 allegedly pacified areas. The Japanese also announced
 rapid progress in their campaign to surround 30,000
 guerrillas in southern Shansi, but Chinese and independent
 sources reported that the Japanese were meeting with con-
 siderable difficulties; the Huangpu and Chengtai railways
 22
 were reported to have been cut several times by Chinese
 forces. Reports from neutral sources in Tainan indicated
 that Chinese troops had harassed Japanese garrisons in
 western Shantung during the month, but guerrilla activi-
 ties in central and eastern Shantung decreased. In
 northern Szechuan the Japanese reportedly achieved suc-
 cess in their anti-guerrilla operations. A number of
 engagements with guerrillas in the lower Yangtze region
 and in Kwangtung Province were reported in the press.

In view of conflicting reports and the scarcity of
 reliable, independent information, it is difficult to
 arrive at any accurate estimate as to the effectiveness
 of Chinese troop and guerrilla activities in the Japa-
 nese occupied areas. Most neutral observers, however,
 agree that these activities have proved most effective
 in the mountainous province of Shansi and in parts of
 adjoining Hopei Province, where the Chinese forces en-
 gaged have been principally units of the 8th Route Army
 and guerrillas trained by that organization; that guer-
 rillas have proved only fairly effective in the Yangtze
 River valley, and least effective, in general, in the
 greater part of Shantung. The comment is often made
 that the guerrillas have not made the most of their
opportunities

21. Pomei, Peiping, March 31.

22. Reuters, "Somewhere in Shansi", March 25.

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

- 15 -

opportunities for inflicting damage on the Japanese, and, in particular, have not succeeded to any effective degree in interrupting the Japanese lines of communication. Despite their comparative failure in many respects, however, it may fairly be said that the activities of Chinese troops and guerrillas in the occupied areas have in considerable measure prevented the Japanese from benefiting through the exploitation of those areas (notably, failure to obtain cotton from Hopei), and, in addition, have immobilized large Japanese forces which otherwise might have been employed in operations on the "fighting fronts", such as, for example, in an attack on the Chinese northwest line of communications. It is understood that the recent operations against guerrillas in the province of Hopei alone have immobilized approximately 50,000 Japanese troops.

A well informed local foreign journalist recently
 23
 commented that "the real problem is not to eject the guerrillas; it is to man the haiden (district) cities and the major towns with adequate garrisons so as to ensure that the guerrillas do not return. It is a job the Japanese cannot do themselves without imposing a terrific strain on the available forces". This is believed to be one of the chief reasons for the Japanese efforts to obtain Chinese cooperation in the work of pacifying the occupied areas.

24
 According to a press report from Chungking, dated March 10, a high Chinese military official stated, in reply to an inquiry, that "in areas under Japanese

military

23. Editorial in Peking and Tientsin Times, February 15, 1939.

24. Reuters, Chungking, March 10.

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

- 16 -

military occupation Chinese guerrillas total roughly one third of the total number of Chinese armed forces".

²⁵
 according to reliable foreign sources, more than one half of the Japanese troops in China are engaged in operations in the occupied areas.

h. Japanese efforts to obtain Chinese cooperation in the occupied areas:

Although accurate information was difficult to obtain and conflicting rumors and reports abounded, it seemed apparent during the month that the Japanese had more or less given up hope of persuading Hu Pei-fu to assume office in their regimes, due to his refusal to accept any post until his conditions had been met. The Japanese, therefore, were reported to be endeavoring to enlist the active cooperation of Wang Ching-wei in their plans. On March 31 an attempt was made by Chinese gunmen to assassinate Wang in Indochina (where he had fled from Chungking in December last), and, although Wang escaped unscathed, his secretary and close follower, ²⁶ Tsang Chung-ming, was killed; it was believed that the Japanese were encouraged in their efforts to enlist Wang's services by his anger over this attack, but no definite developments followed.

It seems evident that the Japanese urgently desire to obtain the cooperation of influential and reputable Chinese in the work of "pacifying" the occupied areas, in order to benefit from the exploitation of those areas, and, also, in order to release Japanese troops for use elsewhere. With few exceptions, the Chinese now serving in the various Japanese controlled regimes appear to be

MON

25. Estimate by Military Attaché, American Embassy, Nanking.
 26. Embassy's (Chungking) 201, March 23, 2 p.m.

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

- 17 -

men of but little influence and repute and have proved almost useless in active pacification work, as has been evidenced, in particular, by the signal failure of the so-called "Pacification Commission" at Haifeng.

1. Activities of Japanese controlled regimes:

The fourth meeting of the "United Council" of the Peiping and Nanking regimes was held March 29 and 30 in ²⁷ Nanking. A number of resolutions were adopted and several statements were issued, including the customary denunciation of Chiang Kai-shek and communism. The meeting also issued a statement of opposition to "England's assistance to Chiang by loans", which concluded with the admonition that "should all countries aiding Chiang continue to act to obstruct peace, the two governments (Peiping and Nanking) will then find it impossible to maintain the friendliness announced vis-a-vis all countries, and it is feared that it will also be impossible to respect rights and interests".

The anti-British campaign, carried on by the various Japanese dominated administrations in occupied areas through the medium of Japanese controlled Chinese and ²⁸ Japanese newspapers, was intensified and became increasingly vicious with the announcement of the British credits to China; the statements issued by the "Reformed Government" at Nanking were particularly vitriolic. It was felt that this anti-British campaign might be used by the Japanese as a lever against the British in connection with pending questions. Although the campaign was directed

primarily

27. Embassy's (Nanking) 22, March 31, 12 noon.

28. Shanghai's unnumbered April 1, 2 p.m., to Embassy (Peiping) only (March political summary).

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

- 18 -

primarily against the British, the expulsion of occidentals and the seizure of their interests were often advocated; France and Soviet Russia were frequently associated in the press with Great Britain as enemies, but less mention was made of the United States.

The various Japanese controlled regimes held celebrations during the week March 3 to 9 in honor of the "New Order in East Asia". (In a radio broadcast from Chungking March 7, the Chinese Minister for Foreign Affairs stated that "the so-called New Order for East Asia is, in fact, merely another name for the destruction of China's political independence and territorial integrity", and "is absolutely irreconcilable with the letter and spirit of the Nine Power Treaty".)

The celebration by the "Reformed Government" at Nanking on March 28 of the first anniversary of its establishment was made the occasion of propaganda in support of the "New Order in East Asia", and in opposition to the National Government and the rendering of assistance to that government. It was reported, as perhaps significant, that the speeches made at the meeting emphasized the necessity for the establishment of a central government authority.

J. Establishment of "liaison" offices
of the Asia Development Board:

Branch or "liaison" offices of the Asia Development (Promotion) Board were established during March in Kalgan, Peiping, Tsingtao, Shanghai and Amoy. According to Japanese press reports, Vice Admiral Tsuda, head of the

Shanghai

29. Embassy's (Peiping) 160, March 30, 3 p.m.
 30. Embassy's (Chungking) 158, March 8, 10 a.m.
 31. Embassy's (Nanking) 21, March 29, 12 noon.

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

- 19 -

Shanghai office, stated in his first press interview that all Japanese economic, political and cultural policies in China would come under the jurisdiction of the Asia Development Board which, however, would have no voice in Japanese military operations in China. Questioned as to basic principles of policy toward China, Admiral Tsuda is reported to have declared that no principles of such major importance could be formulated while hostilities were still in progress, that he was in no position to direct the Japanese Government's policy from Shanghai, and that the bureau which he headed was expected to function as an intermediary. Real work, he is reported to have said, would begin after he had received instructions at the conference of liaison bureau chiefs which was scheduled to meet shortly in Tokyo.

It is understood that officials from Japanese military and naval headquarters in China, as well as officers from the Japanese embassy and consulates in China, have been assigned to the various branch offices of the Board, and that the Special Service Sections of the Japanese army and navy have been or are to be placed under its jurisdiction.

Considerable power and authority appear to have been delegated to the liaison offices, but it is still too early to determine the effect which the newly established organs will have upon the rights and interests of foreign nationals.

C. Relations of a General International Character:

1.

32. Shanghai's 217, March 17, 2 p.m.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

CROSS-REFERENCE FILE

NOTE

SUBJECT Developments and events at or near Hong Kong, with relation to Sino-Japanese situation.
 Summary for month of May, 1939.

For the original paper from which reference is taken

See Tel #174; 9am
 (Despatch, telegram, instruction, letter, etc.)

Dated June 1, 1939 From Hong Kong (Southard)
 To _____

File No. 846g.00/44

793.94/ 15071

15071

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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. Gustafson NARS, Date 12-18-75

REB

GRAY

Hong Kong via N. R.

Dated June 1, 1939

Rec'd 3:51 p. m.

Secretary of State,
Washington.

174, June 1, 9 a.m.

The following is our summary for the month of May.

One. During the month there was a revival of Japanese activity in Chungshan with bombings of Shekki and resulting inflow of refugees at Macao. Opinion here is not inclined to support persistent rumors that Japanese will develop effective occupation of Chungshan because such occupation would appear to carry no particular advantage and would require more Japanese troops than are available for that purpose.

Two. During May there has been steady decrease in Chinese refugees supported in camps of new territories of this colony. Total number in the camps is now less than ten thousand with individuals constantly leaving for their homes over the frontier.

Three. Authoritative sources indicate trade with this colony over the land frontier to and from Hwangtung continues active and includes considerable smuggling with frequent

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

REB

2-#174, From Hong Kong, June 1, 9a.m.

frequent clashes between smugglers and Chinese maritime customs guards.

Four. On May 24th Japanese naval vessels near Hong Kong for first time stopped large mail steamers on European run (one British, one French and one German) for brief examination of papers. This act is taken by some local observers to mean that Japanese will make new attempt at least partially to blockade China coast while other observers think stopping of these three large steamers was merely a display of bravado connected with ^{the} Kulangsu situation.

Five. The Kulangsu incident caused some dislocation in schedules of coastal steamers between Hong Kong and the north and communication, particularly with Amoy, was less frequent and regular than it has been.

Sent to Peiping, repeated to Canton, Amoy and Shanghai but not to Chungking which has informed this office that it does not desire repetition.

SOUTHARD

CSB

0526

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

TELEGRAM RECEIVED

EG

This message must be closely paraphrased before being communicated to anyone. (Br)

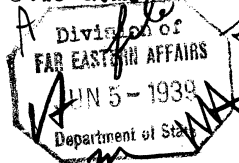
FROM Swatow via N. R.

Dated June 5, 1939

Rec'd 8:45 a.m.

tel to Peiping

Secretary of State,
 Washington.



19, June 5, 5 p.m.

Daily Japanese aerial reconnaissance over Swatow and vicinity reached a climax last night with a threatened invasion at the harbor entrance which failed to materialize but which caused great anxiety among local population and large evacuation during the night.

Repeated to Chungking, Peiping.

YOUNG

RR:WWC

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

DOCUMENT FILE

NOTE

SEE 893.00 P. R. Hankow/141 FOR #587

FROM Hankow (Jarvis) DATED Apr. 12, 1939
TO NAME 1-1127 ...

REGARDING: Sino-Japanese hostilities in Hankow district: report on same.

793.94/15073

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

3. Japan:

a. Course of hostilities:

The Japanese army resumed in March their drive on Hanchang, first attempted without success last summer. This Hanchang offensive had the vital objectives of (1) severing the supplies line from the Chekiang coast to the important Chinese bases in southern Hunan, (2) driving a Japanese wedge between the Chinese Ninth and Third War Zones, and (3) placing the Japanese in a favorable position for an advance on Changsha.

The

Political report
 March 1939
 Hankow, China

-8-

The campaign was prosecuted with vigor and remarkable despatch. Hanchang was occupied, according to Japanese claims, on March 27, a little over a week after major operations commenced. Chinese resistance was effective only along the Wuning (武陵) sector.

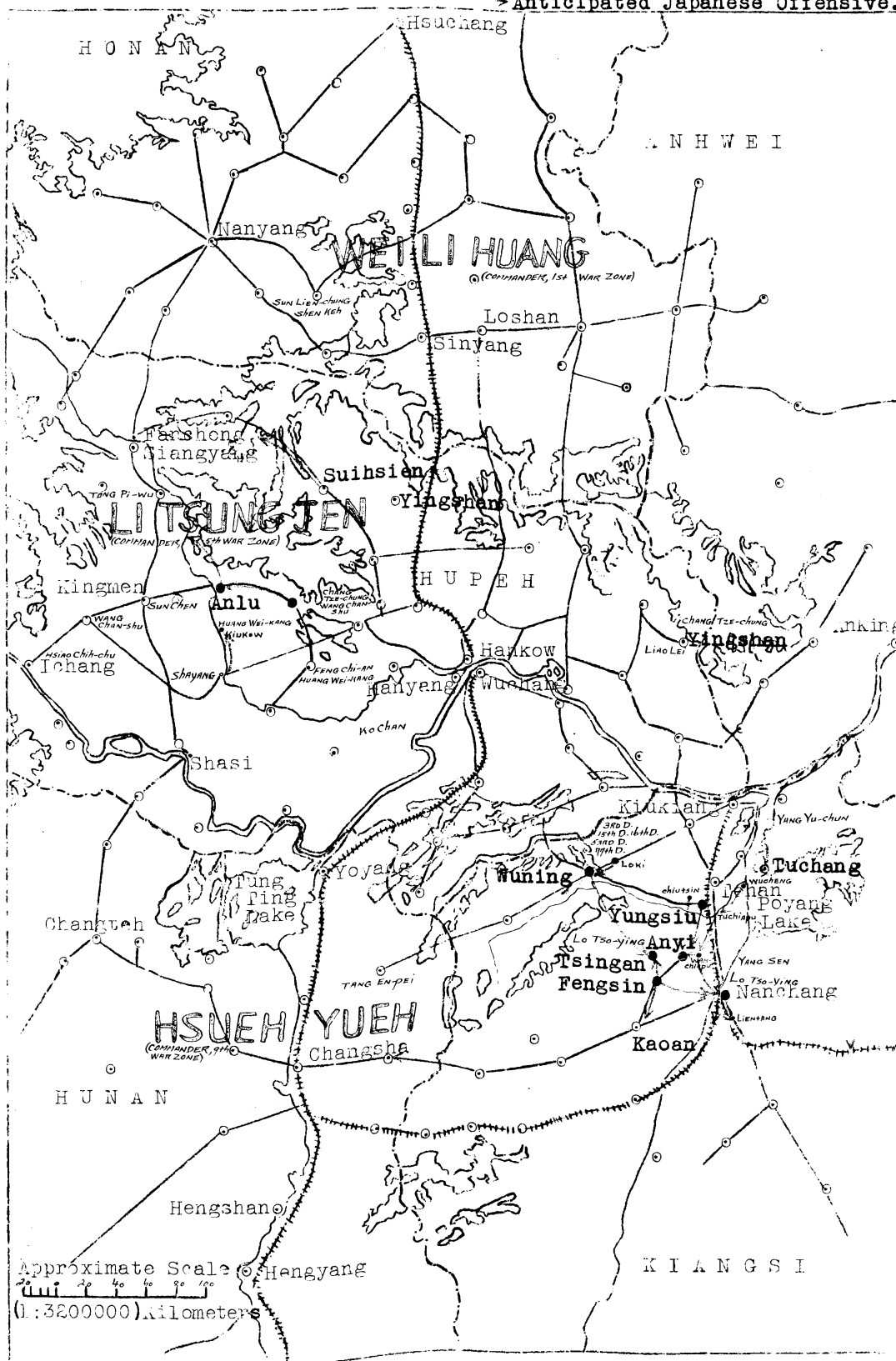
On the Han river front the Japanese encountered difficulties. Chinese regulars and guerrillas were active, constantly harassing Japanese positions. They inflicted what are reported to have been appreciable casualties on the Japanese. This situation is believed to have been due to (1) limited Japanese strength north and northwest of Hankow and (2) increase in the number of guerrillas and troops and improvements in their morale and equipment.

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

Location of Chinese Forces in
 Wuhan Area as Designated in
 Japanese-controlled Vernacular
 Press, Hankow, March, 1939.

Names in blue ink: Commanders Chinese
 regulars.

- Japanese advance.
- Towns occupied by Japanese during March, 1939.
- Anticipated Japanese Offensive.



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

793.94

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments of month of April, 1939.

For the original paper from which reference is taken

See #24
 (Despatch, telegram, instruction, letter, etc.)

Dated May 3, 1939 From Amoy (MacVitty)
 To

File No. 893.00 P.R. Amoy/139

793.94 / 15074

15074

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

(b) Relations with Japan.

1. Military Activity.

As stated in the General Summary, the
principal

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

- 5 -

principal military activity of the month was the Chinese raid on Quemoy (金 門). In addition to the information given in the "Summary", it has been learned from persons who were in Quemoy at the time of the raid, that Chinese troops were assisted by some of the local population who attacked the Japanese forces with wooden sticks, and dismounted two artillery guns. After the Japanese re-enforcements arrived, numbers of innocent persons were arrested and quite a number were executed. No Chinese person is now permitted to leave Quemoy.

The first news of the attack on Quemoy was an extra edition issued by the Fukien Daily News of Amoy (headed "Anti-Japanese Forces Entirely Annihilated") which was circulated in Kulangsu on April 22nd. A translation of this extra edition is given below:

"Urgent radio received from Quemoy April 22, at 8 a.m. states as follows:

"The 80th Division troops stationed on the mainland across from Quemoy have frequently been bombarded by the Japanese. Not wishing to kill civilians the Japanese have preferred to use tricks in trapping the Chinese Army. They have used espionage which has now reaped a good harvest. On the morning of the 21st the Anti-Japanese troops took two junks to Kuan-ao in Quemoy. Being attacked by the Japanese one junk was sunk and the other was broken, the troops on board were entirely annihilated. No civilians were killed. Accordingly the morals of the Anti-Japanese troops on the mainland have been affected, on the basis of reports of our espionage agents."

As this extra edition was the first news of the attack on Quemoy it is evident that the Japanese were endeavoring to minimize the event

even

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

- 6 -

even before it was publicly known.

2. Japanese Naval Planes.

Japanese naval planes were seen over Amoy and Kulangsu on the following days:

April 8, 1 plane at about 3 p.m. No bombing.

April 19, 1 plane at noon. No bombing.

April 21, 4 planes landed in harbor at 6 p.m.

April 23, 4 planes bombed adjacent districts during the day.

April 24, 4 planes bombed adjacent districts during the day. Most of the bombing occurred so close to Kulangsu that it was possible to see the bombs dropping from the planes.

3. Bombing at Changchow (漳州).

According to reports from Changchow, that city was bombed on April 23 and 24, but little damage was done. It is reported that dug-outs have been constructed in the hillsides of Chi San (芝山) near Changchow, and that the Government offices have been removed thereto. Talmage College, a hospital and the residences of the officials of the American reformed Church are located at Chi San, and should the new Government offices be bombed, American mission property will be endangered.

4. Conditions in Chuanchow (泉州).

Due to repeated bombing operations on the port of Chuanchow, north of Amoy, many women and children from that district have taken refuge in Kulangsu, while others are being sent to interior points.

Chuanchow, after the occupation of Amoy, became

- 7 -

became the principal entry port for this part of Fukien, and it is for this reason the Japanese have been particularly active in bombing operations.

5. Amoy Peace Committee Attempting to Collect Rents on Property of Philippine Citizens.

The lessees of several properties belonging to Philippine citizens, for whom the China Banking Corporation (a Philippine concern) is the agent, have reported that the Amoy Peace Committee has ordered them to pay rent to the Peace Committee and not to the China Banking Corporation as to heretofore. A strong protest has been forwarded to the Japanese Consul General and the matter is still pending.

6. Japanese Consul General.

Mr. Uchida, the Japanese Consul General and Senior Consul in Kulangsu, departed for Tokyo at the end of March and only returned at the end of April. I was informed by the Japanese Vice Consul that Mr. Uchida's visit to Tokyo was made in an endeavor to straighten out the question of authority between the Consulate General and the Japanese Naval Authorities in Amoy. A Japanese spokesman attached to the Navy informed me that the Japanese Naval Authorities "looked down" upon Japanese consular officers and paid little attention to them.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments during month of April, 1939.

793.94/ 15075

For the original paper from which reference is taken

See #73 to Embassy, Peiping.
(Despatch, telegram, instruction, letter, etc.)

Dated May 6, 1939 From Tsinan (Hawthorne)
 To

File No. 893.00 P.R. Tsinan/116

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

- 3 -

b. Relations with other countries.

1. Japan.

a. Military situation.

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 The month of April witnessed a recrudescence of Chinese military resistance in Shantung which, according to Chinese contacts, was timed to coincide with Chinese military operations elsewhere in North China and to take advantage of alleged Japanese troop withdrawals from this area due to increased tension on the Soviet border.¹ That this so-called Chinese April offensive in Shantung was more important than the Japanese were wont to admit became apparent toward the close of the month.

Both Chinese and Japanese reports were of course, greatly exaggerated, but the Japanese themselves admitted frequent engagements in widely separated areas of the province. As usual, the Japanese claimed consistent victories. In fact, according to Japanese reports, casualties resulting from military operations in Shantung during April were, Chinese 4,845, Japanese nil (sic).

Reports from other sources, however, indicate that the Japanese found it necessary or desirable to withdraw garrisons in many small towns and to concentrate their forces in the larger and more important places, thereby relinquishing control, at least for the time being, of some of the territory previously "occupied."² Furthermore, it is understood on reliable authority that during the last week in April three separate Japanese attacks on the positions now held by the main body of General Yu Hsueh-chung's (于學忠) forces in the Meng Shan (蒙山) range

of

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1. See Consulate's telegram no. 16, April 14, 5 p.m.
 2. See Consulate's telegram no. 18, April 24, 1 p.m.

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

- 4 -

of mountains of southern Shantung were successfully repulsed, and that the attackers suffered heavy losses in both men and materiel.¹

According to a Domei press report, the Japanese Naval authorities lifted the blockade against Chinese shipping along the Shantung Coast, effective April 10.²

0538

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



4-2 Digest of Information
 Sino-Japanese Situation
 May 19 - June 2, 1939

NOTE: Situation Map does not accompany this report.

1. MILITARY.

a. The Japanese North Hupeh - South Hunan operation has ended in failure. The broad outline of what occurred is now fairly clear. Probably hindered by Chinese pressure from the north on their forces in the Han River bend, the Japanese decided to eliminate the threat to their flank. For this purpose they concentrated an estimated 70,000 men, three infantry divisions, a cavalry brigade and considerable mechanization, probably the same units that contributed so effectively to the capture of Manchang. With this force on May 5 they embarked on a predetermined double envelopment. Immediately opposed to them were not to exceed 60,000 Chinese, weak in artillery and reliably reported to have been commanded by Tang En-po. Initially the operation proceeded successfully. Part of one Japanese division encircled the Chinese east flank and captured the town of Tungpeh, Honan. The remainder of this division and the center division pressed heavily against the Chinese main forces and pushed them slowly to the north. The western division broke through the Chinese lines between the Han River and the Tapieh Mountains, whereupon the cavalry and mechanized forces pushed rapidly to the north and east, reaching their high water mark about May 12 by capturing Hsin-yeh and Tangho, the latter town only 35 miles from Tungpeh. At this time the Japanese had what amounted to a cordon around the western half of the Tapieh Mountains. However the encircling troops were light and exhausted after advances which had extended as far as 125 miles. The encircled Chinese forces, either as a result of good leadership or of inertia, did not stampede and heavy Chinese reinforcements from Li Tsung-jen's armies in western Honan began to press against the periphery of the exposed encircling elements. In consequence the Japanese decided to withdraw, substantially accomplishing the movement by May 18, when they were back on their jump off line, where the front is now reestablished. Japanese and Chinese casualties are believed to have been heavy; but while the Chinese claim extensive captures of equipment, their failure to specify the materiel taken lends color to the belief that it was limited in quantity. The Chinese have claimed persistently that their troops have crossed the Han in the vicinity of Yokow and are pressing on the flank and rear of the Japanese concentration. No confirmation of these claims has been received and it is believed that only light Chinese forces are involved here, if in fact a crossing has been made.

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 E.O. 11652, Sec. 3(E) and 5(D) or (E)
 OSD Mach. May 3, 1972
 By XG NARS Date 3/19/73

793.94/15076

FILED

F/FG 15076

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

Comment. The local effect of this repulse is to derange any Japanese plans for an advance on Ichang or into western Honan. It should be noted further, however, that this is the fourth reverse sustained by the Japanese in 1939, the other three being at Kungmoon (Canton front), Hangehow (Chakiang front) and Kacan--uning (Kiangsi front). Against this they have to show only one successful formal offensive, the capture of Manchang. The conclusion is inescapable that the gap between Chinese and Japanese combat power is being narrowed. Nowhere is there indication, however, that the Chinese have succeeded in building up a combat superiority that would justify passage to the military offensive.

b. No important military developments have occurred elsewhere in China. The American consul at Tsinanfu reports the arrival there of Japanese reinforcements approximating a division. It is probable that this presages clearing operations in the Lunghai--Tsinpu--Yellow River triangle whence partisans have raided in the suburbs of Tsinanfu.

c. About May 20 fighting apparently occurred in the long disputed Lake Har region on the Manchoukuo--Outer Mongolian border and has continued thereafter, involving "Manchurian" and "Mongolian" (i.e. Japanese and Russian) aviation and tanks as well as cavalry and infantry. All available details of this activity have been carried by the Japanese "Domei" news agency under Tokyo date-lines and uniformly speak in terms of a bloody repulse of Mongolian invasion with heavy accompanying losses of "Mongolian" aircraft. Additional brushes are reported along the Manchoukuo--Siberian frontier. The U.S.S.R. has remained silent in the matter except for an almost standardized warning to Japan by Foreign Minister Molotoff in his speech of May 31 that Russia will not tolerate border provocations.

Comment: The Lake Har region long has commanded itself to propaganda clashes. It is strategically insensitive and is inaccessible to dispassionate observers. The circumstances attendant on the clashes point almost inescapably to their application by Japan as a warning to Great Britain and France that their prospective ally, Russia, is a Far Eastern liability.

2. MISCELLANEOUS.

a. On May 20 the Japanese Government decreed the compulsory registration, with a few exceptions, of all gold articles effective July 1. This step presumably is preliminary to a mobilization of bullion in private hands. It is rather surprising that it has been so long delayed and if anything indicates the slowness of the China Incident's erosion upon Japan's economic and fiscal structure.

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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. Gustafson NARS, Date 12-18-75

b. Reliable confidential reports from China indicate that the exchange stabilization fund, established with British support to maintain the foreign exchange value of the Central Government Yuan, has already been obligated to an extent of about 50 per cent.

c. No new developments have occurred with reference to Japan's adherence or non-adherence to the axis alliance. Current indications point toward a trend away from a formal alliance and toward greater stability for the Hiranuma cabinet. However the matter cannot be regarded as decided but must rather be considered as largely dependent on the European and World situations.

d. During the week of May 18 Japanese naval vessels stopped a British, a French and a German steamer off the China Coast, ostensibly to examine their papers and loadings. It would seem that this action was directed toward: (1) impeding the flow of war materials to China; (2) enhancing the prestige of the navy in Japan; and (3) applying an additional leverage on Great Britain and France with the immediate aim of loosening their grip on the concessions and settlements in China.

e. The struggle over the concessions and settlements has continued without outstanding developments. In Tientsin tension again mounted as a result of additional Japanese demands involving police action and the intensification of Japanese efforts to divert business and industrial activity from the concessions. At Kulsangsu (Amoy), generally regarded as a test case of Japanese ability to take over an International Settlement in toto, the Japanese after adopting a more moderate attitude suddenly stiffened. They are now adhering rigidly to their original demands on the Municipal Council and are threatening to reinforce their landing party. In Shanghai events vis-a-vis Japan have marked time, but a sensation has been caused by the suspension of publication of British and American owned Chinese language newspapers on orders from the British and the Settlement authorities respectively. The papers in question had published pro-Chinese speeches and the suspension orders alleged that they were prejudicial to the peace and order of the Settlement. This obviously was part of the local effort to deal realistically with the Japanese. Viewed as a whole the situation may be said to have deteriorated without as yet lapsing out of control.

CONFIDENTIAL

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

TELEGRAM RECEIVED

1-1230

FROM

CJ



PLAIN

CHUNGKING via NR

Dated June 9, 1939

Received 1:15 p.m.

Secretary of State,
 Washington.

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

370, June 9, 8 p.m.

Two squadrons of Japanese bombers raided Chungking today shortly after 7 p.m. dropping bombs in the business area of the city opposite the Embassy premises and also in the vicinity of the right bank of the Kialing River. Embassy without knowledge of welfare of nationals and extent of casualties and property damage at this time.

Repeated to Peiping and Shanghai.

PECK

DDM

793.94/15077

F/FG

793.94
 note
 124.931

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Barrier erected in Yangtze River at Itu, Hupeh, by the Chinese indicates that they will endeavor to hold Ichang as long as possible. Comments on possible Japanese offensive measures in upper Han River area. Comments on success of China's new defence tactics.

793.94/ 15078

For the original paper from which reference is taken

See #207

(Despatch, telegram, instruction, letter, etc.)

Dated May 8, 1939

From China (Chungking) - Peck
 TX

File No. 893.811/1119

15078

054

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

TELEGRAM RECEIVED

LEGAL ADVISER
 JUN 19 1939
 DEPARTMENT OF STATE

1-1286
 AC

FROM

Chungking via N. R.

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (Br)

Dated June 10, 1939

Rec'd 11 a.m.

Secretary of State

Washington

Division of
 FAR EASTERN AFFAIRS
 JUN 12 1939
 Department of State
 COPIES IN PARAPHRASE
 SENT TO TREASURY
 IN CONFIDENCE

375, June 10, 2 p.m.

Reference is made to the Embassy's telegram

No. 370, June 9, 8 p.m. 793.94/15077

In so far as the Embassy has been able to ascertain
 there were no (repeat no) American casualties in yes-
 terday's air raid and losses to American property
 appear to have been limited to damages from concussion
 to residence of Methodist Episcopal Mission in the
 city.

Civilian casualties are reported to be negligible
 but property destruction in the business area is con-
 siderable. It would appear that no (repeat no) mili-
 tary objectives were destroyed.

Repeated to Peiping, Shanghai. Shanghai mail
 to Tokyo.

PECK

CSB

793.94/15079

F/EG

0544

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

Confidential

CONFIDENTIAL

PARAPHRASE

A telegram (no. 375) of June 10, 1939, from the American Embassy at Chungking reads substantially as follows:

It seems that no military objectives were destroyed in the air raid of June 9 on Chungking. There was a considerable amount of destruction of property in the business area. Civilian casualties were reportedly negligible. There were no American casualties, so far as the Embassy has been able to learn, and damages from concussion to a residence of the Methodist Episcopal Mission in the city was apparently the only loss inflicted on American property.

793.94/15079

898.
FE:EGC:HJN
6/22

FE

054

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

15622

TELEGRAM RECEIVED

EDA CORRECTED COPY
This telegram must be
closely paraphrased
before being communi-
cated to anyone (A)

FROM PEIPING VIA N.R.

Dated June 10, 1939

Received 5:50 p.m.

Secretary of State
Washington

272, June 10, 1 p.m.

Peiping's 249, May 31, 1 p.m.

One. From a source believed to be reliable it is
learned that relations between some of the more important
members of the Provisional Government namely Wang Keh Min,
Tang Erh Ho, Wang Ying Tai, Chu Cheng and Yu Chin Ho on
the one hand and Japanese advisers on the other including
Kita continue to be inharmonious. At a conference a few
days ago the above mentioned Chinese leaders aired their
grievances quite freely to the Japanese charging them with
having failed in their understanding of the Chinese,
having ignored their livelihood, having shown no respect
for Chinese education and culture and having attempted
to Japanize Chinese education. Among other things they
criticized the behavior of the Japanese troops and asked
for more considerate treatment by them of the Chinese
people. Subsequently Kita let Wang Keh Min know in
writing that he was greatly displeased by the criticism

and



COPIES IN PARAPHRASE
SENT TO C.N.I. AND
M.I.D. IN CONFERENCE

793.94/15080

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

15623

EDA - 2 - #272, June 10, 1 p.m. from Peiping

and by the attitude of the Chinese leaders and accused them of being anti-Japanese.

Two. The method by which the information has been allowed to become known creates a suspicion that it may have some relation to the rumored coming of Wang Ching Wei to Peiping. It is probable that it may represent a step in that direction.

Repeated to Chungking, code text by air mail to Tokyo.

LOCKHART

JRL

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

See corrected copy
ejl

FL

TELEGRAM RECEIVED

15624

CA

1-1286

FROM

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

PEIPING VIA N R

Dated June 10, 1939

Rec'd 5:50 p.m.



Secretary of State
 Washington

272, June 10, 1 p.m. *793.94/15065*
 Peiping 249, May 31, 1 p.m.

793.94
note
893.01 Provisional

One. From a source believed to be reliable it is learned that relations between some of the more important members of the Provisional Government namely Wang Keh Min, Tang (?) Ho, Wang Ying Tai, Chu Cheng and Yu Chin Ho on the one hand and Japanese advisers on the other including Kita continue to be inharmonious. At a conference a few days ago the above mentioned Chinese leaders aired their grievances quite freely to the Japanese charging them with having failed in their understanding of the Chinese, having ignored their livelihood, having shown no respect for Chinese education and culture and having attempted to Japanize Chinese education. Among other things they criticized the behavior of the Japanese troops and asked for more considerate treatment by them of the Chinese people. Subsequently Kita let Wang Keh Min know in writing that he was greatly displeased by the criticism and by the attitude of the Chinese leaders and accused them

793.94 / 15080

F/FG

0548

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

CA

--2--272 from Peiping..

them of being anti-Japanese.

Two. The method by which the information has been allowed to become known creates (?) suspicion that it may have some relation to investigations (?) coming of Wang Ching Wei to Peiping. It is probable that it may (?) a step in that direction.

Repeated to Chungking, code text by air mail to Tokyo.

LOCKHART

JRL

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

Confidential

P A R A P H R A S E

A telegram (no. 272) of June 10, 1939, from the American Embassy at Peiping reads substantially as follows:

According to information received from a person considered reliable, there continues to be a lack of harmony in relations between some of the more influential members of the Provisional Government - Wang Keh-min, Chu Cheng, Wang Ying-tai, Yu Chin-ho and Tang Erh-ho - on the one hand and Kita and other Japanese advisers on the other hand. Charging the Japanese with having shown no respect for Chinese culture and education, with having tried to Japanize Chinese education, with having failed in their comprehension of the Chinese, and with having no care whether the Chinese have a means of livelihood, the Chinese above mentioned gave vent quite freely to their grievances at a conference held a short time ago. These Chinese leaders criticized, among other things, the Japanese soldiers' behavior and asked that they treat the Chinese people more considerately. Kita informed Wang Keh-min later in writing that he was much provoked by the attitude and criticism of these Chinese and he charged them with being anti-Japanese.

On account of the way this information has been permitted to leak out the suspicion is created that it may

be

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

CONFIDENTIAL

- 2 -

be related in some manner to the rumored coming to Taipei
of Wang Ching-wei. That it may be a step in that direction
is likely.

723.94/15080

egc.
FE:EGC:HJN

6/13

[Signature]
FE

0551

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

TELEGRAM RECEIVED

JR

1-1336

FROM GRAY

Tsinanfu via Tsingtao & N.R.

Dated June 8, 1939

Rec'd 7 a.m., 13th.

Secretary of State,
 Washington.

31, June 8, 5 p.m.

Referring to my telegram No. 25, May 16, 9 p.m.

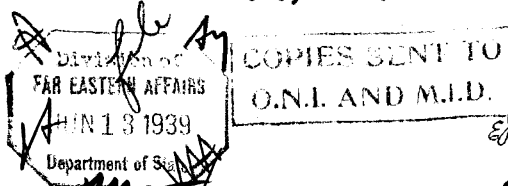
One. Reenforcements have arrived and other preparations having apparently been completed, Japanese army headquarters Tsinanfu today announced that concerted attack on the Chinese military and guerrilla concentrations in southern Shantung was launched June third by Japanese troops along the Tsingtao Tsinanfu railway and garrisons at Yenchow and Tancheng, Shantung, and in Anchen, Kiangsu, which units will converge on Mengyin-Ichowfu area.

Two. Being isolated from any direct or reliable source of supply it is not believed Chinese military-guerrilla forces in that district, aggregating over 30,000 men, can long withstand concerted Japanese onslaught.

Sent to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

DDM:KLP



793.94/15081

F/FG

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

TELEGRAM RECEIVED

GRAY

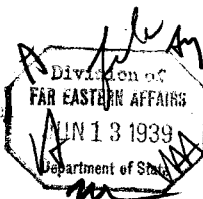
1-1536

FROM Tsinanfu via Tsingtao & N.R.

Dated June 9, 1939.

Rec'd. 7 a.m., 13th.

Secretary of State
Washington.



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

32, June 9, 9 a.m.

Referring to my telegram No. 31, June 8, 5 p.m.,

Domei reports Japanese occupied Mangyin on morning of
June 8 after two days fighting.

Repeated to Chungking, mailed to Peiping.

HAWTHORNE

KLP

793.94/15082

F/FG

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

494 Rue Lafayette, Shanghai.
 May 21, 1939
 Division of
 FAR EASTERN AFFAIRS
 JUN 14 1939
 Department of State
 Instruction to
 Shanghai

RECEIVED
 DEPARTMENT OF STATE
 Cordell Hull,
 Washington, D.C.

JUN 13 AM 11 41

DIVISION OF
 COMMUNICATIONS
 AND RECORDS
 I arrived in Shanghai on April 17th,
 to take up my work in the University
 of Shanghai, which I left soon after the
 outbreak of Japanese hostilities.

I have tried to write out some of
 my impressions in the enclosed paper,
 which I am sending to various friends
 in the United States. You may be interested
 in it as being what I believe to be the
 opinions of the vast majority of Americans
 in this country.

Yours Truly,

Mrs. Christine A. Chambers

793-94

793.94/15083

F/F 65083

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

SOME IMPRESSIONS OF THE SINO-JA ALIBET SITUATION:

After three weeks in Shanghai, I am endeavoring to set down rather informally some of the impressions that I have gathered from conversations, study of the daily news, and from observation and general reading. Looming large with all of us in the International and French Concessions is this question of the "Settlements". Are the Japanese planning to make a stronger effort to get control of the Settlements? Would they dare to use force to get control, or do they intend by threats and terrorist methods to take a little more, and a little more of the control until they have the majority of power and can do as they like with us? Will the foreign countries represented allow the Japanese to take control either by 'force', or by 'cunning', will they back down because of Japanese threats; or will they stand firm and steadily resist both the open threats and the secret plots?

There has recently been a perfect flood of Japanese demands and threats. They have pointed out how that, though in the territory occupied and controlled by the "Reformed Government of China" (the puppet regime), the Concessions still remain loyal to the "Chungking Regime", which is entirely too far away and too disrupted, they say, to be longer called the government of China; they insist that such an attitude can only be interpreted as anti-Japanese; they call on the nations for a revision of the municipal governments, especially of the land regulations which were made at the time the International Settlement was leased from the Chinese; and especially violent have they been in their demands that the flag of China not be allowed to fly in the Settlements at any time--giving for this the reasons mentioned above. They make these protests with threats reminding the Settlements that they are in a helpless situation surrounded by Japanese, and that their very existence is due to the 'peaceful policy' of the invaders and to the protection they gave from the 'blood-thirsty Chinese' when the conflict was waged around Shanghai! They also suggest that if better means are not found to keep peace and order in the Settlements they may be forced to take over the control at any time. That though everyone knows the only well-controlled part of China today as far as occupied territory is concerned, is that under the control of the Settlements.

In reply to all these threats and demands the Municipal Councils of the two Concessions try to be careful not to unduly anger the Japanese, they truly endeavor to remain neutral; but they each hold that they recognize but one government in China, that said "Chungking Regime" which flies the hated Kuomintang flag, and that they can make no changes in their laws except by the approval of that government; but as to the flag flying both Concessions for the sake of peace did agree to ask Chinese nationals to fly the flag only on the eight national holidays. The Chinese feel that is being decidedly more than neutral as the Japanese fly their flags as they please, we all feel it is very unjust, but the japs stick to their original demand and threaten consequences if they are not obeyed.

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

2.

The Japanese want the Settlements for two reasons and it is hard to say which is the strongest. In the first place, they want everything in China, and until they have control of the foreign settlements they are much hampered in their efforts to control trade and currency and to drive out other nations from their business enterprises; also they want the developments that have been made in the Concessions, the well-developed organizations and all that goes with them. If they could get control they would gradually make it impossible for any but themselves to do business here, and so they could eventually have everything thus 'peacefully' driving out all others. Secondly, they want to get control of the Settlements in order to get in their power the hundreds of thousands of Chinese who have taken refuge here, many of them the best Chinese of the country. They are not cowards, nor are they unpatriotic, but caught as they were they feel that for the present the only thing they can do is to take refuge in the Settlements and hope for the day when the terror of Japanese rule is removed and they can again occupy their rightful premises. The Japanese would like to exterminate them. So all of us here, entirely apart from our own desire for peace and safety, feel that for the Japanese to be allowed to have any greater voice in the Settlements than they now have, which is out of all proportion to their rights as part of an international agreement, would be a terrible blow to world progress. It would mean the death blow to American trade in China, and to trade of any other country besides Japan. It would mean that Japan would be more free to keep her unjust hold on this part of China, though it would not in any material way affect the general outcome of the struggle. It would mean also the loss of scores of educational, charitable and cultural enterprises of the various countries that have taken refuge in the Settlements.

Every investigation I have made has confirmed what I already believed to be true: that the Japanese have no idea of letting anything in the nature of cultural, or even of humanitarian value, be carried on in their conquered part of China except as they dictate, and in such a way as that the Chinese people will be debased and kept down as a servile and conquered people. In the few instances in which an effort has been made to re-open mission schools, it has been found to be true that old worn out customs are revived, nothing cultural allowed, Chinese text books discarded and Japanese put in their place, and they are under such strict surveillance that no American missionary has been willing to continue. A few Bible schools are allowed but these are constantly watched to see that no other text book of any kind is taught. As far as Baptist schools are concerned all those of the Eastern China occupied district are 'refugees' in rented quarters in the Settlements, and that seems to be true of all that are being carried on at all. I am told that in Peking a few mission schools submitted to the Japanese regulations but that they have increasingly regretted doing so and may have to close.

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

3.

There is reported everywhere a systematic effort to enslave the suffering Chinese to opium and drugs. The report says that according to figures released by Tokyo last year there were 13,000,000 opium addicts registered in the four north-eastern provinces, being one-third of the total population of that part of China. The Japanese have in Cien-tsin alone over 100,000 addicts marketing the drugs, with 100 factories employing more than 10,000 laborers working day and night to supply their demands. Also from all sections of the country come accounts of their cruelty in dealing with the people, deliberate murder for slight provocation, the people not secure either at home or abroad, their valuables seized, homes destroyed, wives and daughters violated in the most cruel manner at the whim of the local Japanese units.

We hear much about the discouragement and disillusionment of the Japanese themselves, among whom there are many who do not agree with what they are being forced to do. I shall quote here a few things that have been made public.

"Warning his countrymen that high-handed measures in the handling of Chinese affairs are doomed to failure, Chiichi Kitano--in the August issue of the Japan Contemporary Review denounced the mistake that the Japanese had made in under-estimating China..."

"There are two objects in our applying force to China: first to eliminate the anti-Japanese regime and its army; second to work for the cooperation of Japan and China and peace in the Far East based on such a cooperation. The first is to achieve the second. There is no conflict between the two. But if we consider the actual conditions in China, there are many irreconcilable points... From the outbreak of the war up to the time of writing, the anti-Japanese regime has been receiving the support of the majority of the Chinese people. Two years ago it was backed up only by the bourgeoisie, landlords, and militarists. Now this has radically changed and the masses are standing solidly behind the regime.

"Our biggest mistake is to disregard or under-estimate this factor. We should understand that the government under the leadership of Chiang Kai-shek is quite national in its character, and that the war that is waging may become a war of defense for the entire nation. There is a great possibility that the entire nation may be mobilized to participate in the war. A true recognition of this fact is essential to the formation of a policy to meet the present crisis.

"In order to eliminate the anti-Japanese regime, it is important to win the Chinese masses to Japan's side... If we think that we need only apply oppressive measures to dominate a country so vast and thickly settled as China, then our Continental policy is in danger of collapse". And that seems to be the general opinion--that Japan has already applied that policy too long for her to ever win the peninsula. Already too, have seen too many crimes of raping, tyranny, and murder to ever be won to any desire for more dealings with Japan. The

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

4.

has lost her chance, as Dr. Judd said, by not treating the country people well in the beginning. Now the vast majority of the Chinese are united and they know what they are fighting for.

.....
 "If it is hard for the Japanese to kill an insignificant man like me", said a veteran Chinese guerilla, who has spent the last six months in making life miserable for a good many of the Japanese forces now operating in China, "what chance have they got in trying to murder a whole nation? They are bound to be disappointed"...In his capacity as intelligence man, Lee has often had to expose himself to danger. That he is still living after having survived all sorts of danger is not, in his opinion, due to his charmed life, but rather due to the sheer helplessness of the enemy in facing guerilla warfare".

.....
 An anti-war pamphlet found in a Japanese position taken by the Chinese, closes with the following words:

"Comrades, we should not lose our chance. Short of being killed or wounded, we should manage to lose the war. It is only by losing the war that we can put our militarists under control. If the war is won or when we are killed or wounded, it will be too late. The whole Japanese nation will be doomed".

.....
 "Time and man power are not the only factors in China's potential strength of resistance. Her vast territorial domain is also playing a vital role in prolonging her war against Japan's invasion...After fourteen months of resistance China has lost only 400,000 (or her more than 4,000,000) square miles, or one-tenth of her entire country, to the invaders, who in turn have suffered more than 400,000 casualties for their most insecure territorial gains. If the present ratio continues, it would require Japan some twelve years and a total of 4,000,000 war dead and wounded to conquer the whole of China, which would prove an impossible task for the invaders, not to speak of China's increasing power of resistance".

And concerning "China's increasing power of resistance", all are agreed that the Chinese armies are in better condition now than at the beginning of the war, better disciplined and better organized,--better educated and behaved soldiers are found everywhere,...the wounded soldiers of today behave noticeably better than their predecessors (because better educated). They know why they went to the front."

.....
 Thousands of diaries kept by Japanese troops have come into the possession of the Chinese forces...On the whole they are the work of a miserable lot--weary, homesick, and rebellious. The following...found on the dead body of a captain...recently killed by Chinese guerillas (translated from the Japanese):

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

5.

October 24: We went for a night attack on the town of Chung-an. The 8th battalion was assigned the duty of storming the West Gate; but the other battalions had first been attacked by the Chinese and over 23 officers and 250 men had been killed or wounded. This defeat was most unexpected. On the 26th when we entered the city, most of the officers and men were in tears and looked very sad.

January 19: We received orders to go to Fengchiu for garrison duty. The colonel is very severe; even the captains and other officers have often been howled out by him.

March 14: It was reported that 10,000 Chinese troops had been concentrated at Changshan and that a part of them would soon attack Feng-chiu, so we were ordered to keep a sharp lookout.

March 24: It was reported that the whole battalion which was guarding Chung-an was annihilated. Thus the victories which had been so much bruted about in the newspapers have again turned into dismal failures. The war has lasted eight months without any prospect of coming to an end and enabling us to go home. My dear Miyako must be longing for me to return and praying for me at the temples.

April 13: We engaged the Chinese forces at a small town called Xushien. When we entered the town we were deadly tired. As there was nothing to eat, we had to live on paste made from coarse flour.

April 16th: We advanced another ten miles and had another severe engagement with Chinese during which 70 men in our battalion were killed. The wounded suffer terribly in the hot weather. Many of them died from their wounds; while those living watched them die with tears in their eyes.

April 21: We had to retreat to Luan. Taira Anckuni died of his wound. He is from my village, how can I tell the sad news to his family. When I think of it, I myself am not too sure where my grave will lie. The future is very dark. The more I think of it the sadder I am."

.....
 The diary of Hiroshiti Nakajima, a Japanese private, killed near Kinkiang, is a "revelation of the cruelty with which the Japanese treated their unfortunate prisoners of war":

June 7: After staying all day in the rain on guard, I marched back to the barracks at six o'clock dead tired. Unconsciously I took out the family snap-shot and looked at it. This picture was taken last Spring when the cherry blossoms were blooming...It is an ugly thought; but I cannot help thinking that next time when the cherry blossoms bloom, this boy or mine may be an orphan and this wife a widow. In case they are, who is going to support them? Tears rushed

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

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to my eyes, and I refused to think any more.

June 28: At 11:00 A.M. they put a number of Chinese prisoners to death after having tortured them. The sight was so ghastly that I had to look away after the first one was killed. The cries and groans of the victims haunt me still.

July 1: We executed nine war prisoners alive with our own war dead.

July 20: In the morning they put five Chinese civilians to death. First they cut off their heads, then they drove their bayonets through the bodies. The sight of this pained me exceedingly. When I came back I began to think that we are right in the midst of an abattoir in which we murder the Chinese and will sooner or later be killed by them....

August 8: We moved into the trenches that had just been completed.... Five times we tried to rush the Chinese positions and five times we were driven back. Among our 1,000 killed and wounded there was our battalion commander Col. Ichikawa whose left foot was severely injured. I came back dead tired and covered with grime and blood stains. A thought then occurred to me that unless some miracle took place, I wouldn't be running around in this world very long. (Three days after this entry, Chinese forces found his dead body in the trenches.)

.....
 "Better to get killed outright than to receive a severe body wound; that is what our men think when they are operating deep in China. As an army doctor I can tell you there is no chance for a heavily wounded man to stand the journey back to our base hospitals. Usually we put them out of their misery. Besides we have orders that no permanently disabled men are to return to Japan".... Such were the words of a Japanese army doctor taken prisoner by guerrillas in Yenan and held in a Chinese concentration camp. Yasuda's reaction toward the present warfare was most pessimistic for Japan. He said that long before hostilities started, he had fully realized what horror modern warfare might bring to the country. As a result of one year of war, great hardships were being brought to the common people of Japan, and complaints were mounting every day.

Yasuda remarked that he was still unaware of the real purpose of the Japanese militarists in waging war on China. They told him, he said, that this war would bring prosperity at home and establish peace in the Far East. So far he had seen not the slightest signs of either promise being fulfilled...that even if China was defeated in a military sense, the Chinese people as a race would exist and thrive as before. Japan's real difficulties would only

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

7.

just begin when she fancied she had reached the stage of colonizing China".

.....
 "We made a great mistake in believing what people told us when we were drafted for service in China," said Hirato Makino, a locomotive engineer from Tokyo... "Then we were drafted, they told us that the Chinese soldiers would flee long before we arrived at the scene, that we would not even have the chance of seeing them. Why even Prince Konoye himself in addressing us said, 'Comrades in arms, it will not take you long to be back from China--only a few months'--Yes, many of us were back in less than a few months; but not in the manner of our going. They sent us back in urns!"

More and more unthinkable it is to me, that the people of my country can remain indifferent to what is going on out here; can by their silence give consent to the assistance that is being given to the aggressor nation--a nation that has broken a solemn treaty to respect the territorial integrity of the nation they are attacking, a treaty which was proposed and sponsored by my country. I have never ~~thought~~ thought that the United States should declare war on Japan; but I do believe that she should withdraw all dealings of every kind with her until this horrible war is stopped, and her soldiers have been returned to their own homes. All around us here in Shanghai lie the wrecks and ruins of homes and business places. From my window in the small room I have been able to secure in the Shanghai American School dormitory, I can look across the roofs less than half a mile away and see tottering ruins. Go in any direction and you (U of Shanghai) will find the same thing. Our beautiful Campus stands in the midst of ruins, vacant, deserted and slowly going to ruin. The Japanese say they need it for military purposes. They ask our countrymen to aid them with money and credit and supplies that they may rebuild what they have torn down--to accomplish the reconstruction of China! I feel that my country ought to tell them to get out of China and return to us the American trade and cultural enterprises they have taken. Until then we ought to have no dealings with them, because there is no trust to be put in thieves and robbers. I do not believe in peace at any price--a cowardly peace that means the enslavement of a proud people whom we might save. If it meant war, which I do not at all believe, still I would say my country ought to stand for the right at any cost, and even if it meant danger to us who are here. We are not afraid; but only pray God hasten the day when we need not be ashamed of our country for her "uncertain note".

*Christine C. Chambers
 University of Shanghai,
 Shanghai, China.*

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

June 21 1989

To the
 American Consul General,
 Shanghai, China.

The Secretary of State has received a letter of May 21, 1939, from Mrs. Christine C. Chambers, 484 Rue Lafayette, Shanghai, with which she encloses a statement entitled "Some Impressions of the Sino-Japanese Situation". The Secretary of State requests that the Consul General, unless he perceives objection thereto, make appropriate acknowledgment of Mrs. Chambers' letter, informing her that the contents of her letter and its enclosure have been noted with care and that the spirit which prompted her to bring her views to the Department's attention is appreciated.

793.94/15083

793.94/15083

OR
 JUN 20 1939
 JUN 20 1939 PM
 FE:EGG:HJN
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A true copy of the signed original.

F/FG

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 16, 1939

~~SECRET~~
NOH:

Tokyo's despatch no. 3901 of May 18, 1939, encloses a press report of a statement made by Edwin T. Colton, Secretary and Treasurer of the New Orleans Public Service, Incorporated, in which he is reported as saying that Japan's lack of frankness in regard to her China policy causes Americans to be suspicious of Japan and that it would be highly advisable that a policy of frankness, even to the point of being blunt, be adopted.

793.94/15084

FE:Salisbury:HJN

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



THE FOREIGN SERVICE
 OF THE
 UNITED STATES OF AMERICA

AMERICAN EMBASSY

Tokyo, May 18, 1939.

No. 3901.

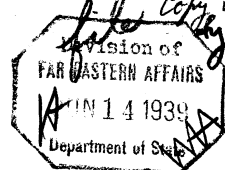
SUBJECT: PRESS INTERVIEW OF AMERICAN BUSINESSMAN,
 EDWIN T. COLTON.

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RECEIVED
 DEPARTMENT OF STATE

1939 JUN 13 PM 1 23

DIVISION OF
 COMMUNICATIONS
 AND RECORDS



For	By	No
		✓

793.94/15084

The Honorable

The Secretary of State,
 Washington.

Sir:

1/ I have the honor to transmit a clipping of an
 article captioned "Less Secrecy will change United
 States Opinion" which appeared in the May 17, 1939
 issue of THE JAPAN TIMES in which there is reportedly
 given an interview with Mr. Edwin T. Colton, secretary
 and treasurer of the New Orleans Public Service, Incor-
 porated, upon his arrival in Japan on a visit to this
 country

FILED
 JUN 20 1939

F/EG 15084

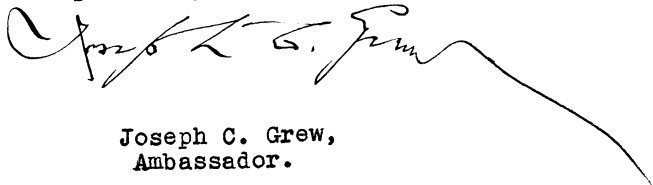
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

-2-

country on the invitation of the Foreign Trade
Federation of Japan.

It will be noted that, amongst other remarks,
Mr. Colton is reported to have commented in the inter-
view that Japan had failed to give out enough facts con-
cerning her policy in China and had veiled the entire
affair with secrecy; that Americans believed an attempt
was being made to hide certain facts, which resulted in
suspicion on the part of Americans towards Japan. He
believed that in dealing with Americans it was highly
advisable that a policy of frankness, even to the point
of being blunt, be adopted.

Respectfully yours,



Joseph C. Grew,
Ambassador.

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JE:C

✓ Enclosure:
1/ Copy of clipping, as stated.

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

Enclosure No. 1, to despatch
 No. 3901, dated May 18, 1939.
 from the Embassy at Tokyo.

The Japan Times.

Tokyo, Wednesday, May 17, 1939.

LESS SECRECY WILL CHANGE U.S. OPINION

Louisiana Man Arrives To Further Commercial Relations with Japan

"Taking into consideration the convenient and cheap transportation facilities offered by the port of New Orleans, we are disappointed in not getting a larger share of the total export and import business of America," said Edwin T. Colton, secretary and treasurer of the New Orleans Public Service, Incorporated and prominent businessman who is now visiting here accompanied by Mrs. Colton and his son Edwin T. Colton, Jr. at the invitation of the Foreign Trade Federation of Japan.

New Orleans has eight trunk lines connecting it with all parts of the country as well as many barge lines and inter-coastal canals, explained Mr. Colton. Besides this, the State of Louisiana has a system of super-highways all of which offer quick and cheap transportation. And today, according to Mr. Colton, efforts are being made to make the public conscious of the fact that this port possesses many advantages as a distribution center for the interior.

INDUCEMENT OFFERED

"In order to induce manufacturers to build in Louisiana," Mr. Colton explained, "any new business that does not compete with the already established companies are exempted from tax for ten years. Even those firms already established can enjoy similar rights if they wish to enlarge their businesses.

"In the fiscal year of 1937," he said, "the total value of cotton amounted to 49 million dollars and a production of one million bales. The amount of sugar produced amounted to 5.3 million tons valued at 18 million dollars, 25 million bushels of corn valued at 20 million dollars and 20 million bushels of rice valued at 13 million dollars. These items of course represent the outstanding four products of the state.

"It is regrettable in our view," opined Mr. Colton, "that our state gets but a small proportion of the total exports of these products. And our trade with Japan has fallen off greatly of late. So by meeting business leaders of Japan, I hope that some agreement can be reached by which trade relations between Japan and Louisiana can be improved."

It is the opinion of Mr. Colton and of many of his American fellow passengers that the N.Y.K. line is doing valuable work in introducing Japan to its guests. Every effort was made on board ship to please the Americans and to give them a brief introduction to the country so that they would not be perfect strangers upon landing at Yokohama. He also believes that this kindly attitude helps to counteract any suspicions the foreign passenger may have concerning Japan.

"It is indeed unfortunate that the attitude of many Americans toward Japan is so unfriendly," said Mr. Colton, "but the entire blame cannot be placed at their door.

TOO MUCH SECRECY

"For some reason, Japan has failed to give out enough facts concerning her policy in China, and wherever secrecy exists, outsiders are liable to regard it with suspicion. This is true in the case of China. Japan has, according to our way of looking at things, veiled the entire affair with secrecy. Naturally the Americans believe that an attempt is being made to hide certain facts and the result is the existing suspicion."

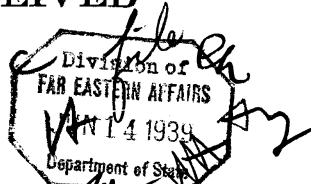
In dealing with Americans, Mr. Colton believes it highly advisable that a policy of frankness even to the point of being blunt be used because such an attitude will appeal to them. If such a policy had been employed from the beginning of the affair, it is the opinion of Mr. Colton that much misunderstanding could have been avoided.

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

TELEGRAM RECEIVED

1-1238

FROM



EDA

This telegram must be closely paraphrased before being communicated to anyone (BR)

HANKOW VIA N.R.

Dated June 13, 1939

Received 1:25 p.m.

Secretary of State

Washington

COPIES IN P. 1238-1239
SENT TO C. I. P. 1238
M.I.D. IN CONFERENCE

130, June 13, 2 p.m.

Rumors concerning serious discontent among Japanese troops near Hankow began to come to the attention of this office in late May. The Japanese eleventh division believed southwest of Wuhan is said to be most affected, its commander recalled to Hankow, 68 of its officers brought here where they are now under detention, and parts of particularly recalcitrant units shot or shipped down river.

The local French authorities have received substantially the same reports. Neither theirs nor ours have thus far been confirmed. The rumors are, however, believed to be of sufficient importance to be passed on.

Repeated to Chungking, Peiping, Shanghai.

JARVIS

CSB

793.94/15085

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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. Gustafson NARS, Date 12-18-75

Confidential

P A R A P H R A S E

A telegram (no. 130) of June 13, 1939, from the American Consulate General at Hankow reads substantially as follows:

It is believed that rumors in regard to grave discontent among Japanese soldiers in the vicinity of Hankow which began to come to the attention of the Consulate General the latter part of May are sufficiently important to be reported to the Department although thus far they have not been confirmed. Substantially the same reports have been received by the French authorities in Hankow and these rumors also have not been confirmed so far.

The rumors are to the effect that the commander of the Japanese 11th Division which is said to be affected the most has been recalled to Hankow, that parts of especially refractory units have been shipped down the river or shot, and that 68 of the division's officers have been brought to Hankow and are under detention now. The 11th Division is thought to be southwest of Wuhan.

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



THE FOREIGN SERVICE
 OF THE
 UNITED STATES OF AMERICA

AMERICAN EMBASSY

No. 3898

Tokyo, May 17, 1939

SUBJECT: JAPANESE BOMBING OF CHUNGKING.

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 DEPARTMENT OF STATE

1939 JUN 13 PM 1 22

DIVISION OF
 COMMUNICATIONS
 AND RECORDS

11988	Per	In U.S.A.	No.
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793.94/15086

The Honorable

The Secretary of State

Washington

Sir:

I have the honor to refer to the Department's
 telegram no. 119, May 8, 7 p.m., directing me to make
 emphatic representations to the Foreign Minister
 against the recent indiscriminate bombings by Japanese
 planes of civilian populations of Chungking, Swatow,
 Ningpo and Foochow, to my telegram no. 218, May 11,
 4 p.m., informing the Department of the action taken
 on

F/FG 15086

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

- 2 -

on May 11 in accordance with those instructions, and to my telegram no. 221, May 12, 9 p.m., reporting that the British Ambassador on May 12 also had made strong representations in the same regard.

- 1/ There is enclosed a copy of a memorandum of my conversation with the Foreign Minister on May 11, to which is appended a copy of the text of my oral statement to him emphatically expressing the most serious concern at the indiscriminate bombings, basing my representation primarily on humanitarian grounds involving the safety of non-combatant civilian populations and furthermore on the grounds of the serious risks involved in jeopardizing the lives and property of American nationals both official and private.

- With reference to my telegram no. 221 of May 12, there are enclosed copies of the British Ambassador's
- 2/ aide mémoire left with the Foreign Minister, of a para-
- 3/ phrase of his report to London of his interview with
- 4/ the Foreign Minister, and of a telegram received by him from the British Ambassador in Chungking giving details
- 5/ of the bombings, along with a copy of a letter dated May 12 with which Sir Robert Craigie sent me these docu-
- 6,7/ ments. There are also enclosed copies of paraphrases of Sir Robert Craigie's reports of May 5 and 8 to London of his representations to the Foreign Minister regarding the bombing at Chungking, made prior to the receipt of
- 8/ instructions from his Government, together with a copy of the summary of the reports he had received from British authorities at Chungking.

It

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

- 3 -

It will be noted that Sir Robert Craigie expressed to me his belief that publicity in the matter of the recent bombings might be an important deterrent, that he was suggesting to his Government that his representations be given due publicity in London, and that he hoped that I would make a similar suggestion to Washington so that the Japanese public might be left in no doubt that such protests had been made.

In my telegram of May 11, under reference, I had reported that the Foreign Minister, with my concurrence, had proposed to announce to the press that the purpose of my visit was to discuss "current American problems in China", it being mutually agreed that the publication here of the precise representations would only serve undesirably to enflame some elements of the Army. I also reported therein that I had informed the Minister, however, that with a view to satisfying American public opinion, my Government might feel obliged to give detailed publicity in the United States to my representations.

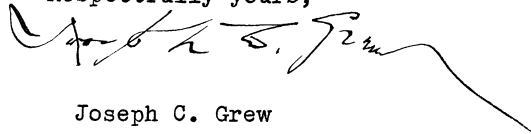
In regard, therefore, to the suggestion of my British colleague, I felt that the question of the publicity to be given to these representations had already been presented to the Department and that the matter would be determined by the Department from the point of view of giving appropriate guidance to public opinion in the United States, along with other considerations. Moreover, it was not at all certain how much of such publicity abroad would appear in the press in Japan nor
 what

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

- 4 -

what beneficial effects, if any - if accurate and full publicity did appear - the publicity would have in this country. Resort to publicity in Japan as a deterrent to the actions of the military is apt to prove illusory and to cause an effect the reverse of that desired. It is, in my opinion, to be used with discretion. In this instance, representations such as those made by the British Ambassador and myself are far more likely to have effect if knowledge of the terms thereof is confined to official quarters.

Respectfully yours,



Joseph C. Grew

JE:wr
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✓ Enclosures:

1. Copy of memorandum of conversation, May 11, 1939, the American Ambassador, Mr. Grew, with the Minister for Foreign Affairs, Mr. Arita, with appended copy of text of Mr. Grew's oral statement.
2. Copy of aide-mémoire from the British Ambassador, Sir Robert Craigie, to the Minister for Foreign Affairs, Mr. Arita.
3. Copy of paraphrase of telegram dated May 12, 1939, from the British Ambassador, Sir Robert Craigie, to the British Foreign Office.
4. Copy of telegram dated May 12, 1939, from the British Ambassador at Chungking to the British Ambassador in Tokyo.
5. Copy of letter dated May 12, 1939, from the British Ambassador, Sir Robert Craigie, to the American Ambassador, Mr. Grew.
6. Copy of telegram from the British Ambassador, Sir Robert Craigie, to the British Foreign Office, dated May 5, 1939.

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

- 5 -

7. Copy of paraphrase of telegram dated May 8, 1939, from the British Ambassador, Sir Robert Craigie, to the British Foreign Office.
8. Copy of summary of official reports received from the British authorities in Chungking left by the British Ambassador, Sir Robert Craigie, with the Minister for Foreign Affairs, Mr. Arita, May 8, 1939.

Copy to Embassy, Peiping
Copy to Embassy, Chungking
Copy to Consulate General, Shanghai

257

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

Enclosure no.1 to despatch
no. 3898 of May 17, 1939
from the Embassy at Tokyo

Conversation: The American Ambassador, Mr. Grew, with
the Minister for Foreign Affairs, Mr. Arita., May 11, 1939.

In accordance with the Department's telegram 119,
May 8, 7 p.m., I called this morning on the Foreign
Minister and made emphatic oral representations against
the recent indiscriminate bombings by Japanese forces
in China, basing my representations primarily on
humanitarian grounds involving the safety of non-
combatant civilian populations and furthermore on the
grounds of the serious risks involved in jeopardizing
the lives and property of American nationals both
official and private.

The text of my oral statement, a copy of which I
left with the Minister, and a coded text of which is
being sent tonight by air mail to Shanghai for repeti-
tion to the Department by the naval radio is appended.

The Minister's only comment was the usual formula
that every effort was made by the aviators to avoid
accidents when bombing military objectives but that he
would convey my representations both to the military
and naval authorities. I pointed out to the Minister
that in view of the great heights from which the bombs
were dropped, in a wholesale and indiscriminate way,
the chance of hitting specific objectives was very
small while the risk of injuring foreign nationals or
property and of causing widespread casualties among
the local population was very great. The Minister
replied

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

- 2 -

replied merely that such bombing operations were part and parcel of the Japanese military operations in China and that as soon as these hostilities ceased, the risks of which I complained would likewise cease.

The Minister asked me what sort of publicity I thought ought to be given to our interview. I suggested that he say that I had come to discuss the general political situation but he replied that this would be too vague to satisfy the press. He then suggested an announcement that I had come to discuss current American problems in China. I agreed with this suggestion on the ground that some elements in the Army might be undesirably inflamed by a statement of my precise representations which might merely serve to incite the military to more intense depredations. (In agreeing to the Minister's proposal I had in mind the fact that if my precise representations were passed down to the Bureau of Information, the official spokesman, Mr. Kawai, if true to form, would very likely serve up the story in an inaccurate and sensational form. Mr. Dooman, at my suggestion, later discussed the point with Mr. Yoshizawa who thought that it would be best to leave the matter of publicity as arranged between the Minister and myself). I however told the Minister that with a view to satisfying American public opinion my Government might feel obliged to give detailed publicity in the United States to my representations.

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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. Gustafson NARS, Date 12-18-75

Oral statement made to the Minister for Foreign Affairs, Mr. Arita, by the American Ambassador, Mr. Grew.

"On September 20, 1937, I called on His Excellency Mr. Hirota, then Minister for Foreign Affairs, and, under the instructions of my Government, I made to him most earnest and emphatic representations with respect to the plan announced at that time by the Japanese naval forces to bomb Nanking. I pointed out and dwelt at length on the grave danger to foreign diplomatic establishments, personnel and non-combatants, as well as the serious effect on American public opinion which some accident in connection with those operations would entail.

Two days later, on September 22, 1937, again acting under the instructions of my Government, I delivered to Mr. Hirota a note, no. 780, dated September 22, 1937, setting forth clearly and succinctly the American Government's views with respect to the announcement of the Japanese naval forces in China of the plan to resort to bombing and other measures of offense in and around the city of Nanking.

I have now been instructed by my Government to call on Your Excellency and, primarily on humanitarian grounds, and in reiteration of the representations made on both occasions mentioned, emphatically to express the most serious concern at the recent indiscriminate bombings of the civilian populations of Chungking, Swatow, Ningpo, and Foochow. According to information reaching my Government, the destruction caused by these air raids by the Japanese forces was confined almost entirely to civilian lives and the property of civilians.

Your Excellency is undoubtedly aware of the feeling aroused in the United States by the indiscriminate aerial bombing of the civilian population in various areas in China in the past. I cannot too earnestly impress upon Your Excellency the serious responsibility which devolves upon the authorities charged with the guidance of Japan's foreign relations to restrain the military or naval forces responsible for these indiscriminate bombings from a course which, if continued, will inevitably create a progressively deplorable reaction in the United States. The American Government and people - let me repeat from previous representations - are and always will be concerned, primarily from the humanitarian point of view, in the mass bombing of civilian populations wherever and however carried out.

Added to the humanitarian factor applying to non-combatants generally, there exists the emphatic objection of the American Government to the jeopardizing of the lives of its own nationals which must inevitably arise from such indiscriminate attacks. I need hardly remind Your Excellency of the repeated bombings of American property in China, of which approximately 140 separate instances have come to my Government's attention during the present hostilities, in spite of the

fact

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

- 2 -

fact that these properties were clearly marked by American flags and their positions notified to the Japanese military authorities. Loss of American life, wounds and serious property damage were caused. The fact that during a recent period reports of these attacks on American property dwindled, and for a time actually ceased, gave us the hope that effective steps were being taken to meet our representations.

But now, with wholesale bombing operations renewed, I must draw Your Excellency's special attention to the fact that the American Embassy in China is at present appropriately established in Chungking, the seat of Government, while American Consulates exist in Swatow and Foochow, and that private American citizens, following their lawful occupations, are present both in those places and at other points currently subjected to these indiscriminate attacks from the air. I respectfully point out to Your Excellency the grave risk of incidents which might have a seriously adverse influence upon the relations between our two countries. In saying this I merely state a fact which must be patent to anyone having knowledge of the normal reactions of the American Government and people to a given circumstance or set of circumstances. In the light of past experience I would be derelict in duty if I failed to emphasize this risk, and the prime importance of avoiding such risk.

Therefore both on humanitarian grounds, involving the safety of non-combatant civilian populations, and on the grounds of the serious risks involved in jeopardizing the lives and property of American nationals, both official and private, I earnestly appeal to Your Excellency to take such effective steps as will terminate these indiscriminate bombing operations now current in China."

Joseph C. Grew

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

Enclosure no. 2 to despatch
 no. 3898 of May 17, 1939
 from the Embassy at Tokyo

Aide mémoire, the British Ambassador, Sir Robert Craigie,
 to the Minister for Foreign Affairs, Mr. Arita. (Enclosure
 to Sir Robert Craigie's letter of May 12, 1939, to Mr. Grew).

(108/72V(1)/39)

AIDE MEMOIRE

During a raid by Japanese naval bombers on Chungking on May 4th explosives and incendiary bombs were scattered over densely populated areas of the city, damage was done to His Majesty's Consulate and some of the Chinese staff were killed and wounded.

His Majesty's Ambassador has been instructed by His Majesty's Principal Secretary of State for Foreign Affairs to make a strong protest against this action by the Japanese forces which resulted in damage to the property of His Majesty's Government and danger to British subjects. It seems to have been part of the operation of bombing Chungking as a whole and the promiscuous manner in which the bombs were dropped involves the full responsibility of the Japanese Government. Sir Robert Craigie is therefore desired to request that steps will be taken to ensure the issue of strict orders to the Japanese forces to refrain from the indiscriminate bombing of the civilian population such as has occurred not only at Chungking but also, according to reports which have been received from official sources, at Swatow and Foochow. He will shortly submit a detailed claim for compensation in respect of the damage to life and property which has occurred in the compound of the British Consulate.

It

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

- 2 -

It has been stated as a justification of the Japanese action that anti-aircraft batteries were situated close to the buildings struck by the bombs. While on his present information Sir Robert Craigie is not prepared to admit the truth of this allegation, he is instructed to point out that the presence in a town of anti-aircraft batteries (although they are of course legitimate military objectives in themselves) does not of itself make that town as a whole a legitimate objective nor justify its general or indiscriminate bombardment. The bombing of the Consulate appears to have been an instance of such a general or indiscriminate bombardment and the presence of anti-aircraft guns in the vicinity could not justify it.

Sir Robert Craigie is instructed to add the following observations: The Japanese Government are without doubt aware of the feeling aroused in Great Britain by the indiscriminate bombing of the civilian population in various parts of China in the past and the fact must be stressed that the continuance of such a policy by the Japanese armed forces cannot fail to increase the harmful effect already caused thereby. Public opinion in Great Britain is greatly shocked by the continuance of such raids, especially after the disapproval which they called forth previously, and this policy must inevitably produce a harmful effect on the relations between His Majesty's Government and the Japanese Government.

0578

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

Enclosure no. 3 to despatch
no. 3898 of May 17, 1939
from the Embassy at Tokyo

Paraphrase of telegram sent to the British Foreign Office, 12th May, 1939, by the British Ambassador, Sir Robert Craigie. (Enclosure to Sir Robert Craigie's letter of May 12, 1939, to Mr. Grew).

I made today strong oral protest to the Minister for Foreign Affairs (leaving an aide mémoire) in terms of your instructions. I also mentioned the bombings at Swatow and Foochow, in regard to which we have received official reports.

His Excellency stated that, as he had informed the United States Ambassador yesterday, the military objectives in Chungking were scattered all over the city and in their endeavour to destroy these objectives the Japanese forces had accidentally caused damage to the British Consulate. Owing to anti-aircraft fire the planes had been obliged to fly high.

I observed that this hardly constituted an answer to the British Government's representations which rejected the theories (a) that even military objectives should be attacked if, owing to proximity, damage to British life and property became inevitable; and (b) that a crowded city could be indiscriminately bombed merely because it contained scattered military objectives. Mr. Arita replied however that it would be impossible for the Japanese forces to refrain from bombing anti-aircraft guns wherever they were found.

I again urged that from humanitarian point of view as well as in Japan's best interests, stricter instructions should be sent to restrict attacks to recognised military objectives, observing that in the case of the Chungking raid the casualties appeared to have been
suffered

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

- 2 -

suffered almost exclusively by the civilian element.

On my return I found Sir A. Clark Kerr's en clair telegram of May 12th and have sent a copy to the Minister for Foreign Affairs, with a covering explanation.

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

Enclosure no. 4 to despatch
 no. 3898 of May 17, 1939
 from the Embassy at Tokyo

Copy of telegram from His Majesty's Ambassador at
 Chungking, May 12th, 1939, to the British Ambassador
 at Tokyo, Sir Robert Craigie. (Enclosure to Sir
 Robert Craigie's letter of May 12, 1939, to Mr. Grew).

Facts are not as stated. I was on west side of
 town and saw planes approach from north and heard anti-
 aircraft fire. Guns opened hot fire for few moments
 planes did not pass over guns but swung away slightly
 eastwards over ?towee and dropped incendiary bombs
 about a kilometre away just below German Consulate
 upon densely populated district which was burned out.
 Bombing of Consulate-General, new quarters of Diplomatic
 Mission and of French Consulate came immediately after-
 wards. Planes did not attack in separate units but in
 close formation of twenty-seven. Guns were in no sense
 silenced. If they had been I should probably have been
 silenced with them. Many continued firing until aero-
 planes had passed over hill and out of sight. I have
 satisfied myself that there were no guns within a kilo-
 metre of the Consulate-General. No Japanese aircraft
 were brought down on the fourth but Chinese claimed two
 destroyed by pursuit planes on the day before when anti-
 aircraft guns did not come into action. As to the shock
 mentioned in Japanese Consul-General's letter I may say
 that members of Embassy and Consulate-General staff were
 extremely lucky to have escaped with their lives. Four
 bombs fell in the two compounds which are separated only
 by a narrow lane. A difference of a fraction of a second
 in the timing of the release of the bombs would have had
 the effect of demolishing and burning both houses in
 which members of the staff were sheltering. As a result
 of

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

- 2 -

of raids on third and fourth number of non-combatant casualties so far officially identified is sixteen hundred dead. This number will probably be largely increased when excavations are completed. Number of wounded under treatment is about the same.

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

Enclosure no. 5 to despatch
 no. 3898 of May 17, 1939
 from the Embassy at Tokyo

Letter of May 12, 1939, from the British Ambassador,
 Sir Robert Craigie, to the American Ambassador, Mr.
 Grew.

BRITISH EMBASSY,
 TOKYO.

12th May, 1939

My dear Grew,

I enclose for your information a copy of the
 aide mémoire which I left this morning with Mr. Arita
 and a paraphrase of the telegram in which I reported
 our interview.

I feel that publicity in this matter may be an
 important deterrent and I am therefore suggesting that
 due publicity should be given in London to my representa-
 tions. I hope you will see your way to make a similar
 suggestion to Washington so that the Japanese public
 may be left in no doubt that protests have been made
 by all three Governments.

Yours very sincerely,
 (sgd) R. L. Craigie.

His Excellency
 The Honourable Joseph Clark Grew
 Ambassador Extraordinary and Plenipotentiary
 for the United States of America,
 at Tokyo.

P.S. I attach also a copy of a telegram from Sir A. Clark
 Kerr which I found here on my return from my inter-
 view with Mr. Arita this morning. As you see, the telegram
 is in reply to my enquiry whether in fact Chinese anti-
 aircraft guns were placed in close proximity to the consular
 district. I have also sent a copy of this telegram to
 Mr. Arita.

0584

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

Enclosure no.6 to despatch
no. 3898 of May 17, 1939
from the Embassy at Tokyo

(With the compliments of the British Embassy to the
American Ambassador, Mr. Grew, May 5, 1939)

Copy of telegram addressed to Foreign Office, 5th May,
1939

On receipt of this message ^{*}I at once informed the
Vice-Minister for Foreign Affairs pointing out the
gravity of this action and stating that excuse of mili-
tary authorities that anti-aircraft batteries were fir-
ing in proximity of consular district was entirely un-
acceptable. I added that I was informing him within a
few minutes of receipt of news in order that the Japanese
Government might take steps without delay.

*Copy of telegram received from Shanghai Embassy, 5th
May, 1939.

Senior Naval Officer, Chungking, in reply to my
enquiry, states that the Consulate-General and Vice-
Consulate were bombed last evening and considerable
damage done.

Tahourdin was very slightly injured by falling
bricks.

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

Enclosure no.7 to despatch
 no. 3898 of May 17, 1939
 from the Embassy at Tokyo

(With the compliments of the British Embassy to the
 American Ambassador, Mr. Grew, May 9, 1939)

Paraphrase of telegram dated 8th May, 1939, from the
 British Ambassador, Sir Robert Craigie, to the British
 Foreign Office.

I took the opportunity of a visit to Minister for Foreign Affairs on another matter to give him substance of Shanghai telegrams to Foreign Office on the subject of the recent aerial bombardment of Chungking. I said that, while I had not yet received any instructions from you, it seemed to me that there were two separate aspects of the question: the first was that despite all the precautions taken for identification, property of the British Consulate had been seriously damaged and members of the native staff killed and wounded. The allegation that anti-aircraft guns had been posted close to the compound (the truth of which I was not on my present information prepared to admit) did not relieve the Japanese forces in any way of their responsibility to respect British lives and property and I felt that the aircraft concerned had been guilty of gross carelessness in attacking in such close proximity to the consular district. Minister for Foreign Affairs expressed his regret that British property should have been damaged and lives of the native staff lost. Before saying more however I would understand that he must obtain a full report of what had occurred.

Proceeding to my second point I reminded His Excellency of the representations I had made to General Ugaki at the time of the Canton bombings and wished once more to enquire how the Japanese Government considered their
 cause

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

- 2 -

cause could be advanced by this type of air attack, as to the indiscriminate nature of which we had the testimony of British official witnesses. Not only would such large-scale attacks on the civilian population in China steel the nation to further resistance but they aroused in Great Britain and other countries feelings of intense resentment. I therefore earnestly hoped that, just as in the case of Canton the bombing had ultimately been confined again to military objectives, so in the present case the most stringent instructions would again be despatched to the Japanese forces on the spot to abstain from such inhumane methods of warfare.

Minister for Foreign Affairs repeated that on this point also he must reserve his reply until he had received full information from the Japanese authorities.

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

Enclosure no. 8 to despatch
 no. 3898 of May 17, 1939
 from the Embassy at Tokyo

(With the compliments of the British Embassy to the
 American Ambassador, Mr. Grew, May 9, 1939)

Left by British Ambassador with Minister for Foreign
 Affairs on May 8th, 1939.

Summary of official reports received from
 the British Authorities in Chungking.

During the raid by Japanese naval bombers on Chung-
 king at 6.26 p.m. on Thursday 4th May explosive and
 incendiary bombs were dropped in various parts of the
 city causing large fires. One 100 pound explosive bomb
 was dropped in the native staff quarters of His Majesty's
 Consulate killing two and wounding eleven among the
 staff's families. An incendiary bomb struck the roof
 of His Majesty's Consul's residence in which are located
 the offices of the Diplomatic Mission but the bomb
 fortunately finally landed in the garden and did not
 set fire to the building. A further incendiary bomb
 fell on the lawn within five yards of His Majesty's
 Consul-General's residence but failed to explode. Roofs,
 ceilings and windows in the offices and residence of the
 Consulate were badly damaged. Some commercial property
 managed by British subjects was also destroyed. All the
 British property concerned was, in accordance with re-
 peated Japanese requests, clearly marked in every pos-
 sible way so as to be identifiable from the air, but
 there was a complete disregard of all such marks.

The Japanese naval authorities informed the British
 naval authorities on the 5th May that "on May 4th stray
 "bombs might have fallen in the consular district". In
 fact

0588

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

- 2 -

fact high explosives and incendiary bombs were, according to British official reports, scattered over densely populated areas of the city not even near any objective that might be described as military.

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



THE FOREIGN SERVICE
 OF THE
 UNITED STATES OF AMERICA

Division of
 FAR EASTERN AFFAIRS
 JUN 14 1939
 AMERICAN EMBASSY
 Department of State
 Tokyo, May 17, 1939

No. 3899

SUBJECT: JAPANESE BOMBING OF CHUNGKING.

For Mr. Tolson	For Mr. E. A. Tamm	For Mr. Clegg	For Mr. Glavin	For Mr. Ladd	For Mr. Nichols	For Mr. Rosen	For Mr. Tracy	For Mr. Carson	For Mr. Egan	For Mr. Gurnea	For Mr. Harbo	For Mr. Hendon	For Mr. Pennington	For Mr. Quinn	For Mr. Nease	For Mr. Gandy

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 AND RECORDS

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The Honorable
 The Secretary of State
 Washington

Sir:

I have the honor to refer to the Embassy's despatch
 no. 3898 of today's date concerning the recent Japanese
 bombings of Chungking and representations made to the
 Ministry of Foreign Affairs by this Embassy and by the
 British Embassy on that subject. In this relation there
 1/ is now enclosed a copy of the French Ambassador's note
 no. 23 of May 16, 1939, to the Minister for Foreign
 Affairs

F/PQ/5087

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

- 2 -

Affairs making representations along similar lines.

Respectfully yours,



Joseph C. Grew

710

JE:wr

✓ Enclosure:
 as stated

Copy to Embassy, Peiping
 Copy to Embassy, Chungking
 Copy to Consulate General, Shanghai

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

Enclosure no. 1 to despatch
 no. 3899 of May 17, 1939
 from the Embassy at Tokyo

(With the compliments of the French Embassy to the
 American Ambassador, Mr. Grew).

The French Ambassador, M. Arsène-Henry, to the Minister
 for Foreign Affairs, Mr. Arita.

16 Mai 1939

No 23

Monsieur le Ministre,

Lors de mon entrevue, le 9 Mai dernier, avec M.
 le Vice-Ministre des Affaires Etrangères, j'ai protesté
 auprès de lui contre les bombardements dirigés le 4
 Mai par l'aviation japonaise contre le Consulat de
 France à Tchongking ainsi que contre les locaux de
 la Société "Union franco-chinoise de Navigation".

Depuis cette date, j'ai reçu de mon Gouvernement
 des renseignements précisant que le quartier des Con-
 sultats, où se trouve le Consulat de France, est des
 plus facile à distinguer en raison de sa situation sur
 une hauteur placée à l'extrémité de la ville de Tchong-
 king. Mon Gouvernement insiste également sur le point
 que ce quartier très aisément identifiable n'a pas
 moins reçu de 11 bombes dans un rayon de 200 mètres,
bien que la batterie anti-aérienne la plus proche fut située
à 1,500 mètres au moins.

La précision de ces renseignements rendant inexplicable
 une erreur de l'aviation japonaise, j'ai l'honneur de
 renouveler auprès de Votre Excellence la protestation

a
 Son Excellence
 Monsieur Hachiro Arita
 Ministre des Affaires Etrangères
 etc., etc., etc.,

TOKYO

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

- 2 -

formelle élevée par le Gouvernement de la République
contre l'attaque dirigée le 4 Mai par l'aviation
japonaise contre des bâtiments appartenant soit au
Gouvernement lui-même, soit à des citoyens français./.

Veillez agréer, Monsieur le Ministre, les as-
surances de ma très haute considération,

Arsène-Henry

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

465

TELEGRAM RECEIVED

HM

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone (Br)

FROM Shanghai via N.R.

Dated May 29, 1939

Rec'd 12:08 p.m.

Secretary of State

Washington

May 29, 4 p.m.

CONFIDENTIAL FOR THE SECRETARY.

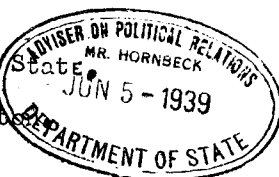
In the course of a conversation with British
 Ambassador today latter informed me that the
 Generalissimo was anxious to see me in Chungking;
 Generalissimo had two ideas which he doubtless
 would communicate to me:

(1) That economic measures taken by British
 and Americans at this time would have a controlling
 effect upon Japanese, even to point of stopping
 Japanese activities in China;

(2) That the Japanese were anxious to make
 peace; that the Japanese were prepared to withdraw
 forces from Central China provided Chinese stopped
 fighting; that Chiang / ^{was} prepared to stop fighting
 if and when Japanese withdrew; that difficulty lay
 in knowing when Japanese would withdraw and that
 the Japanese were prepared to accept mediatory
 offices at the hands of British and Americans.

I told

*Tel drafted & changed
 in the Ambassador's*



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F/FG

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

466

-2- May 29, 4 p.m. from Shanghai

I told British Ambassador that in my opinion economic measures against Japan on the part of the United States were doubtful; that while I had seen no Japanese during my visit in Japan, such information as I had through people in American Embassy and consulates there indicated that Japanese Government was in no way interested in ending military operations in China; that it was the opinion of our people in Japan that economic measures against Japan would very likely precipitate Japanese action directed either at us or the British or the Dutch East Indies. I said that as regards mediation I am convinced that the Japanese Government was not prepared to accept mediation in the face of continued confidence of Japanese military in the success of their movement here.

Repeated to Chungking and Peiping.

JOHNSON

RR

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

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It should be carefully purchased before
 being communicated to anyone. Bm

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AMERICAN CONSUL,

1939 JUN 6 PM 4 53

Washington,
 June 6, 1939
 5 PM

SHANGHAI (CHINA). Via NR

COMMUNICATIONS

STRICTLY CONFIDENTIAL FOR THE AMBASSADOR.

INFO: AMEMBASSY, CHUNGKING (CHINA).

AMEMBASSY, PEIPING (CHINA).

Your May 29, 4 p.m. 15058

201

With reference to the two questions which the British Ambassador informed you would doubtless be mentioned to you by Chiang Kai-shek, the Department has noted the comments which you made to the British Ambassador. In the event that Chiang Kai-shek should bring up with you either or both of the questions, the Department offers for your guidance and possible use additional comments as follows:

One. With regard to the question of the American Government and people taking economic measures, any action which the American Government might take would have to be consistent with the traditional policies of the United States, the attitude of the American people as a whole and the laws of this country. This Government has frequently taken in relation to the hostilities in the Far East action which was parallel to that taken by other powers but it has consistently pursued an independent course in keeping with its traditional policies. While, as the Chinese Government is well aware, public opinion in the United States deplores

Enciphered by _____

Sent by operator _____ M., _____, 19____

D. C. R.—No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

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

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Washington,

Japan's actions in China and while the American people have made manifest in practical ways their feeling of friendliness and sympathy for the Chinese nation, it is felt that it would be unwise for there to be raised inquiries or proposals which might obscure the fact that responsibility for any action that this country might take rests with this country and which might give rise to conjectures with regard to possible foreign involvement of this country, especially at this time when the Congress is considering a revision of neutrality legislation and other legislative projects having a bearing upon foreign affairs of the United States. It is felt that the raising of such questions might tend to embarrass this Government in its endeavor to pursue an appropriate course in the light of the broad policies and interests of the United States.

Two. With regard to the question of good offices, this Government has already made to both the Chinese and the Japanese Governments what definitely amount to offers of good offices. We have made it clear to both Governments that whenever both considered it desirable we stood ready to exercise our good offices. The Japanese Government has clearly indicated that it is not repeat not responsively

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Sent by operator _____ M., _____, 19 _____

D. C. R.—No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

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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. Gustafson NARS, Date 12-18-75

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Department of State

-3-

Washington,

disposed toward these approaches, first by its diplomatic silence in regard thereto and second by express statements made by various of its high officials to the press and otherwise that it will not repeat not be responsive to offers of mediation and will not repeat not tolerate interference by other countries. This Government is constrained to believe that these Japanese officials have expressed the considered determination of the Japanese Government. Although this Government has given much study to the question and continues to give the matter constant attention, we have not repeat not been able to envisage in the situation as it has developed to date terms of peace which would appear likely to be acceptable to both the Chinese and Japanese Governments, which would be consistent with principles in which we believe, and which would be fair and just to all concerned. A fundamental interest of this Government is that the settlement by which peace is restored shall be on lines consistent with principles of equity and justice in relation to all concerned. In the absence of an indication by Japan of a readiness to accept an offer of good offices and without previous knowledge that Japan's intentions and desires in regard to peace terms could be harmonized with the general principles above

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Sent by operator M.,, 19.....

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

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Washington,

-4-

outlined, we would be reluctant to make an approach to the Japanese Government on this matter.

Three. In general, the attitude and position of the American Government with regard to the conflict between China and Japan and with regard to the principles which this Government believes should govern relations between and among nations have been made clear in many public statements by high officials of this Government. That attitude and position remain unchanged. The American Government is giving attention and consideration to each phase of the situation as it develops, bearing in mind all its phases. The American Government has consistently endeavored in relations with the Far East, while serving the interests of the United States, to avoid and avert disservice to the interests of China. At the present moment the American Government is in no way forgetful of either of these objectives and is intent upon both. The American Government desires to be constructively helpful where possible and as appropriate,

Enciphered by

Sent by operator M., 19.....

0599

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

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Washington,

but it naturally exercises its own best judgment as to
 what contribution on its part may be most practicable,
 opportune and appropriate.

Please repeat to Tokyo this telegram and your telegram
 under reference.

Repeated to Chungking and Peiping.

Hue

FE:JWB:MMH/EJL:HJN

JUN 5 1939 F

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 7/27/41

PA/H
 5/24/41

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Sent by operator _____ M., _____ 19____

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

conning the
 DEPARTMENT OF STATE

RCM DIVISION OF FAR EASTERN AFFAIRS

June 17, 1939.

Reference Dr. Leighton Stuart's letters of March 22 and May 7 to the Board of Trustees of Yenching University.

The first letter constitutes an eloquent argument for international support of the Chinese cause and for Yenching's continuation of a pro-Chinese policy: "Yenching has become so completely identified with Chinese progressive endeavors that we would not want to escape from the consequences nor fail to contribute toward the efforts of Chinese resistance....As to our concrete policy until the situation stabilizes, we shall carry on as hitherto, avoiding provocation to the military authorities...but refusing to yield on any matter of vital principle such as academic freedom, national loyalty or religious conviction."

The second letter records the impressions gained by Dr. Stuart from his visit to Chungking, which include, notably, the "spontaneous enthusiasm" of patriotic demonstrations as compared with pathetic celebrations forced on the Peiping populace by the Japanese, the Generalissimo's physical bravery, the "grim determination" of the Chinese as compared with earlier "unrealistic optimism" or "timid fatalism", improvement in military training, aviation and motor transportation deficiencies, Japanese deliberate bombing of civilian districts and frequent use of incendiary bombs.

ASC
 FE:Chase

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

OFFICERS OF THE TRUSTEES

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學 大 京 燕
 YENCHING UNIVERSITY
 PEIPING, CHINA

American Office
 150 Fifth Avenue
 New York, N. Y.
 1939 JUN 13 AM 11 31

OFFICERS OF THE UNIVERSITY

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DIVISION OF
 COMMUNICATIONS
 AND RECORDS

Dear Mr. Hull,
 This confidential information is
 just sent to you for your information
 for real news about China. kindly
 read it over.

From a Friend of China.



May 31, 1939

To the Members of the
 Board of Trustees

Dear Friends:

Enclosed herewith is another confidential letter
 from Dr. Stuart.

Please guard this material carefully, as you
 have done with Dr. Stuart's previous communications. It is
 quite in order to show this material to friends whose dis-
 cretion can be absolutely trusted.

Very sincerely yours,

B. A. GARSIDE

Secretary

793.94

BAG: CW
 Encl.

793.94/15088

F/FG 15088

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

March 22, 1939

To the Board of Trustees:

This is being written in the hope that it will reach you in time for the Annual Meeting and assure you of my remembrance of you, my colleagues in this high adventure of the human spirit that we know as Yenching University.

During recent years, as the dreaded menace of Japanese military conquest of North China became more imminent and finally broke upon us with a savage fury and a disclosure of their aims and methods more vicious than we even had feared, I have attempted to keep you informed of happenings and trends as these seemed to me to be affecting our own institution. You may have felt at times that I have, in communications to you, given disproportionate attention to the progress of this struggle. If so, this will at least help you to appreciate how absorbingly concerned I have been over this issue.

Never in my whole experience have I felt quite so passionately aroused. This is primarily due no doubt to what Japanese rule in other subjugated areas had compelled us to expect would be enforced here, thus destroying all that we have created in terms of personnel and the advocacy of our distinctive ideals. The patterns of cruel suppression of all that conflicts with - or that their irresponsible agents conceive of as conflicting with - their aims of political and economic aggrandisement are being reproduced here and elsewhere in China as rapidly as conditions permit. "We can have no illusions. Yenching University, as it has now come to be known, could not possibly continue to function if the Japanese consolidate their grip on North China. Nor would we want to maintain the institution here on the only terms they would permit. What we would do with plant and personnel until the restoration of Chinese sovereignty is - I venture to hope - more of an academic issue with the lengthening of the war. The chief unknown factor is the course of international events which at this writing are certainly ominous. But the fact that the outcome of this conflict and its consequences to Yenching are all involved in larger world issues gives point to the conviction that the values of democracy as against despotism must be preserved throughout the civilized world at any sacrifice and that only thus can peace and international goodwill be guaranteed. No nation can any longer live unto itself.

China, free and fairly treated, can become an enormously effective asset on the side of democracy, justice, relationships among the nations based on reason and righteousness rather than frightfulness and force, and the protection of those individual human rights the disregard of which is the basic cause of our present chaos. It is thrilling to remind ourselves that, in the preparation of the Chinese people for their heroic resistance and their determination to suffer whatever may be necessary for their national independence, Christian education has been a very important influence and that its flowering out in Yenching has merely carried forward by logical fulfillment and dynamic urge the spiritual energies inherent in this blend of religious faith and American idealism.

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

-2-

Underlying all the grim tragedy of this invasion, the age-long weaknesses in Chinese life which have encouraged it, and the newly awakened patriotic consciousness it has helped into alert activity, is the world-wide clash of ideologies which must somehow be reconciled. Yenching has become so completely identified with Chinese progressive endeavors that we would not want to escape from the consequences nor fail to contribute toward the efforts of Chinese resistance. Fortunately, the issues are so clear that our Christian purpose and our Chinese loyalties involve no tension but give substance and stimulus each to the other. We can therefore be whole-heartedly for the cause of China in this particular matter, and be ready to share in whatever sacrifices may be of actual benefit. And American help to China in this struggle is not only a moral obligation but will tend to preserve all that our country has done for her people in the past as represented by this institution among many other expressions of our friendly purpose.

As to our concrete policy until the situation stabilizes, we shall carry on as hitherto, avoiding provocation to the military authorities and being as conciliatory as possible, but refusing to yield on any matter of vital principle such as academic freedom, national loyalty or religious conviction. How delicate a problem it is not to antagonize the over-suspicious and arrogantly assertive Japanese on the one hand, and retain the confidence of our Chinese friends on the other, can be safely left to your imagination. That we who are here have your intelligent sympathy, constant prayers, and vigorous cooperation, is one of the chief sources of the calm courage and fidelity to this trust with which we shall strive to carry on into the future.

Very sincerely yours,

(signed)

J. LEIGHTON STUART

CW

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

Kuhsingchen, Honan
 February 28, 1933

Dear Dr. Stuart.

Soon it will be two years since I left Yenching University and began the life of a missionary in inland China. It is like another world! Kuhsingchen is a small town between Chengchow on the south and the Yellow River on the north and east. The Mission compound is a small place crowded with buildings. My senior worker and I are the only foreigners here. Everything is so different from Yenching that I have felt utterly cut off from that life, even if it were not for the terrible things that have happened since I left Peiping. Our class surely walked out into chaos. But that isn't what I wanted to tell you.

Dr. Stuart, I want you to know that I treasure my two years in Yenching more than I can possibly say. I wanted to go to Yenching in order to begin my life as a missionary on an equal footing with Chinese young people. I wanted to know more about modern Chinese life and modern Chinese young people. I wanted to live as they live, think as they think, feel as they feel, and see as they see. I didn't accomplish that fully. One person can hardly enter into every phase of life in Yenching. I wonder if there is another place on earth where so many different kinds of people live so happily together. But then I know that I was a part of that very life, and not only so in my own eyes but also in the eyes of others. I remember yet the time when I suddenly realized that I was the only "foreigner" in a jolly group of students, and the thing that thrilled me was the fact that no one else seemed to think of it! I had often been in such groups before, but only then did I remember this, and realize that at last I was a part of the very life I wanted to know about.

I love Yenching for this. She just takes everything in her stride - all kinds and classes and nationalities and opinions and nations - even mine. I was afraid that she would be too sophisticated for me. I don't think she minded.

But even more precious to me than the life I learned about are the friends I have in Yenching. It seems to me that I have been cut off from these too, but that doesn't really matter. I often think of them - both teachers and students. They mean a great deal to me. I often pray for them, and for you, because I am sure God still has great purposes for you and for Yenching.

Here in the country I have seen a totally different China. I didn't know that such abject ignorance and stupidity could exist. Being the daughter of a missionary hadn't taught me this - I've had to come right down to it myself, and fight with it hand to hand, so to speak. We have a small Bible School and extensive country work. It is partly evangelistic and partly educational - can you separate these? At least we do not. To see the light dawn in some poor, dark life, and then to see intellectual light come at the same time has been a revelation to me, and also a deep joy.

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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. Gustafson NARS, Date 12-18-75

Frances Schlosser to
J. Leighton Stuart

February 28, 1939

-2-

But I am so glad that I saw Yenching first. It would be tragic to know only this part of the story, much as I love China and my work here.

These two years away from Yenching have been rather intense, as I suppose they have been for every one else. I have helped in refugee camps and first-aid huts for wounded in transit, taught kindergarten, arithmetic, English, Bible, and phonetic script, dodged bombs and shells, and taken some part in almost everything people are doing these days in China.

This small corner of the earth is so isolated from the rest of the country that I have had no news of Yenching for months. But I am sure you are carrying on if there is any earthly way of doing so, and I hope you will "carry on" for a long time yet.

I could not write this letter without making it as personal as I have. Yenching is a very personal subject to me, and I know it could not be the place it is without you, Dr. Stuart. Please accept my deep appreciation of the work you are doing, and have already done.

I shall be especially remembering all the campus at Easter time. May that day be one when His life shall be real as never before to my beloved Yenching!

Very gratefully yours,

(signed)

FRANCES E. SCHLOSSER

CW

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

CONFIDENTIAL

Hongkong,

May 7, 1939

To the Board of Trustees:

I am writing to report my impressions of a trip from which I am now returning. This was primarily to attend the Annual Meeting of the China Foundation in Hongkong and a conference of the Presidents of the Christian Colleges of China planned to fit in with this. I took advantage of this opportunity to visit Kunming (Yunnan-fu) and Chungking, my purpose being in general to observe conditions in the vital centres of Free China and keep in touch with government leaders as well as with our former teachers and students.

I. In General

First a word about about travel as illustrative of war dislocation. The journey by sea to Shanghai took almost one week or about twice the normal time, which again is twice the time by rail. This caused me to miss the Reunion of the Shanghai graduates which had been especially arranged so that I could be present. To get to Kunming from Hongkong requires either about 3 days by steamer to the port of French Indo-China and as many more by the French railway of some some 350 miles, or by airplane to Hanoi (The French capitol) and from there by another aviation route.

I had secured a seat for April 29th on both the French and German planes well over a month in advance which would have put me there early that afternoon. But a German passenger plane had recently been brought down by the Japanese (apparently because they had word that Madame Chiang Kai-shek was on board) and that service was disrupted for a week. Through the active efforts of a Yenching graduate in the aviation office I was fortunate in getting a seat on a British plane the preceding day with the hope that I might catch the weekly French railway "Express" from Hanoi. This consists of a train of sleepers to the Yunnan border and from there a single autorail car on which passengers are strictly limited to the number of seats. By good fortune and the urgent telegrams of a Yenching boy, I secured the seat cancelled by some one else.

The trip is 24 hours, with more curves perhaps than any other railway in the world, through gorgeous mountain scenery beginning with almost tropical jungle. Kunming itself is on a plateau 6000 feet high. I arrived about eight o'clock the evening of the 29th and had a full schedule until the afternoon of May 2nd when I was to fly to Chungking. But in the midst of student visitors at my hotel the morning of the 1st, the alert president of our local alumni club who had been arranging my engagements hurried in to report that he had learned there would be no plane on the 2nd, that my seat had been transferred to the 4th with no assurance that there would be a plane that day, but that a special plane would arrive at noon bringing officials from Chungking and returning at once. He was holding a seat for me. I therefore hastily decided to take it, he and others cancelling appointments for me. I thus arrived a day ahead of time.

Telegrams were sent to the American Embassy and to Dr. Kung but arrived long after I did. Fortunately, my capable escort discovered a cousin of Dr. Kung (and father of one of our students) among the passengers who was very helpful in getting me to the Canadian Mission headquarters where it was arranged that I should stay.

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

To the Board of Trustees

-2-

May 7, 1939

Chungking accommodations are very difficult to secure. I had long ago secured a seat to Hongkong on the 8th, but early on the morning of the 6th, Charles Lu, who had volunteered to help me as a sort of secretary while in the city, came to report that my plane was leaving any time that morning -- two days ahead of schedule -- and that the next plane was supposed to leave on the 10th but with no guarantee. My steamer was to sail on the 12th.

There was much that I still wanted to do in Chungking, but the terrific bombings (concerning which I am writing elsewhere) had deranged all ordinary life, and might be repeated any day. As I could be of little help to any one and might be a further burden to my harassed friends, my real place of duty was elsewhere. I again made a hasty decision to leave, packed, wrote several hurried notes, and with the help of Charles walked to the aviation office, we taking turns in carrying my bag and raincoat. There were no coolies, rickshas, or sedan chairs available.

At the office, the bus to the airport was either broken down or had been commandeered to convey refugees as was true of all vehicles under orders from the Generalissimo. Since the plane might leave any time, we again set out on foot. (I learned afterwards that if there were an air-raid alarm the plane would start off at once, otherwise wait till 2:00 P.M. which would enable it to go over Japanese occupied territory after dark.) After going some distance we found one decrepit jinricksha and puller who, after bargaining for an excessive fare took me and the baggage. Down hill we made time, up hill I walked. Two little boys helped with my things down the two hundred or more stone steps to the river bank, and over to the island where the airport is located.

The plane was in readiness for leaving any minute. Before long Charles arrived, perspiring all over. A few minutes after noon we ordered some food and had just begun to eat when the alarm sounded. We were off with no delay. A radio message reached us later than there had been no raid, but it is a suggestion of the nervous fear under which the people in that doomed city are living.

The weather was cloudless so the pilot had the alternatives of alighting at Kweilin and waiting until dark to fly over the danger zone or risking this at a height of 18,000 or 20,000 feet. Against the former course was the fact that the Japanese had bombed the field and the hastily filled holes had bogged so that a sister plane was still stuck there. But he took it and made a very skillful landing. Kweilin is one of the beauty spots of China and the field is located among fantastic mountains so characteristic of Chinese paintings. We were about to leave when a radio message warned that Japanese planes were behind us. Again we lost no time in getting under way.

The ordered life of Hongkong and the comfortable security of the hotel seemed in startling contrast to the hazards and horrors I had left behind in Chungking. If I had not secured that cancelled reservation on the French railway I might not have gotten there at all, or if I had, should have left almost immediately. Now I have 5½ days of comparative idleness waiting for my steamer. I am staying quietly in my room today, partly to write to you at once, but also to avoid being discovered and interviewed as one who had just come from the latest scene of carnage.

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

To the Board of Trustees

-3-

May 7, 1939

One advantage of arriving a day earlier in Chungking was that I was just in time for the inauguration of the Spiritual Mobilization Movement that evening. The event was held in the open air, with moonlight and search-lights and a tower with a bowl of fire in the center. The program consisted of an impressive ceremony, a stirring speech broadcast by the Generalissimo, torches lit at the tower by the representatives of the 8 groups of the people (government, party, soldiers, intellectuals, women, merchants, artisans, farmers) who then marched around in shifting patterns, and patriotic singing. The spontaneous enthusiasm was in happy contrast to the pathetically bedraggled celebrations forced on the people of Peking by their Japanese oppressors. The courage of the Generalissimo, who was an easy target for any hired assassin, was characteristic of him and his wife who stood throughout by his side. No doubt many were wondering what would happen if the Japanese staged a moonlit air-raid. ✓

On the larger issues, my impressions from this most recent contact with the highest authorities of the National Government confirms much of what I have previously written you. The determination to fight till freedom is won is stronger than ever. Morale is holding firm. There are three million men under arms or in training, with improvement through hard experience and constant study of the problem. Finances and military supplies can last for at least a year without serious difficulty and with further British and American aid for much longer. The earlier extremes of unrealistic optimism or of timid fatalism have settled into a grim resolve to go on whatever the consequences until the Japanese aggression is foiled. They do not see the end of the road but they know the direction and believe that it leads to the goal. ✓

The most disastrous weaknesses are in aviation and motor transportation. Apart from the "Squeeze" and other traditional defects which partly account for this, they both involve mechanical understanding for which Chinese have not the inherited instinct. It is coming, and I was told of drastic measures for rectifying one if not both of these vital services, but meanwhile the damage is appalling. Such air raids as those in Chungking last week can only be averted by a more efficient air force. But on the whole Chinese resistance can and will continue. New techniques and a strengthening of will are leading to resourcefulness as to means or materials which will increase China's capacity to keep up the struggle. The other two factors in the ultimate outcome are Japanese internal developments and those in international relationships. ✓

More than ever I am convinced that assistance to China ensuring her national independence will make of her an enormous asset in a future strengthening of the freedom-loving nations against those who violate all international justice in national expansion by military aggression. Far-seeing self-interest can therefore reinforce humanitarianism and moral considerations. ✓

The Government leaders continue to endorse the policy of the University in operating on our present basis. There is complete understanding and good will.

It was a deeply moving experience to see my old friends of the Government maintaining their courage and their faith in the ultimate outcome, even in the midst of such appalling tragedy as these aerial bombings, and I found a poignant satisfaction in having shared as an observer for these few days the danger and anxiety in the midst of which they continue their tasks.

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

To the Board of Trustees

1b

May 7, 1939

II. The Chungking Bombings

These have been fully described in cabled reports. I shall therefore continue in the form of personal narrative. On May 3 shortly after noon the alarm was sounded and we took shelter in the basement. The dropping of bombs was only a matter of a few seconds. We knew that some had fallen very close as scattered debris fell about the house and fires were easily visible. One Japanese bomber and three Chinese pursuit planes were brought down. From one of the latter we watched two men drift down in parachutes, both wounded, one dying soon after reaching ground.

I had an appointment with the British Ambassador at 3:00 P.M. and on returning out on the streets discovered how very close we had been to the path of destruction. My route led through patches of it, ruined houses, smoking debris, scattered parts of human bodies, shrieking women. But the worst of it was for a mile along the river front, homes of the very poor, where the wreckage was indescribably horrible. This I did not see.

The Ambassador emerged from his dug-out as I arrived and we had an hour's conversation, following up intimate talks we had in Peking and Shanghai last winter. He is a true friend of China and very much of a man. From there a secretary (incidentally a Yenching graduate) was sent to escort me to the Generalissimo's headquarters for an interview with his trusted adviser of many years, W. H. Donald. He then took me in his own car as near as could be done to where I was staying. On the way we got out more than once to observe the devastation. ✓

That evening the Minister of Education and his staff had a dinner party in my honor and this was carried through as planned. I mention this as an instance of the calmness with which the government officials carry on, interrupting their procedure only as the exigencies of each new happening require. Chinese planes evidently drove away some of the attacking ones and disturbed the others so that the damage to the main business and residence sections was less than it would otherwise have been.

The next day was the historic May 4, the anniversary of the outbreak of the Student Movement in Peking against Japanese encroachments twenty years ago - as I was about to begin my new duties in that city. Feeling was tense all day, as there was a general expectation that the raid would be repeated. These are usually about noon as the raiders have a long flight from Hankow and back, or at night if there is a good moon.

I went about my appointments until four o'clock when I had promised to conduct the weekly missionary prayer meeting. Naturally the attendance was small and the atmosphere heavy with suspense. Repeatedly word came that an alarm had begun, but each time proved a mistake. I hurried back to the Canadian Mission headquarters in order to wait for callers by appointment, none of whom came. Chinese planes were circling very high as though searching for something. Then I got ready to dine with General and Madame Chiang Kai-shek who were to send their car for me, although I scarcely expected its arrival.

Suddenly, the alarm sounded shrilly. The Chinese planes alighted, under orders as we learned later, in order to give the anti-air-craft a chance. Scarcely had they ceased to hum when 27 Japanese bombing planes, as usual in units of nine, came toward the city in perfect formation. We knew as we watched that in a few seconds they would be raining death and destruction over a wide range that might engulf us. Then we retreated to the basement for an awful interval, listening to dull thuds, and knowing soon that this attack was over.

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

To the Board of Trustees

2b

May 7, 1939

It was further away from us than the day before. Immediately fires broke out in many spots and the conflagration rapidly spread, lasting all night. This house is down near the river bank just within the city wall. We sat on the porch watching the river and the distant hills beautiful and peaceful in the moonlight while behind us was this flaming inferno.

Foreigners whose homes were burning or threatened began to arrive with what few belongings they could snatch. Chinese were swarming in for refuge. The foreign correspondents who stayed at this place were taking all sorts of risks in getting news. It seemed senseless to go to bed when the full moon was an omen of impending attack. Finally, sharing space with refugees we tried to sleep, but the alarm sounded shortly after, and even when the "all clear" signal came sleep was scarcely possible.

When I had looked forward to talking with them about conditions in the North, the Generalissimo and his wife were in their car personally observing the damage. It was far worse than the day before. A strip roughly $1\frac{1}{2}$ miles long and a half-mile wide through the heart of the city was in smoking ruins. I went through it the next morning, as gruesome and sickening a scene of wanton destructiveness as could be imagined. The casualties must have been in thousands, all civilians, simple people whose slaughter served no military purpose. ✓

From all that I saw and learned from others I am certain that it was deliberate bombing of the city with no military objectives and with full knowledge ✓ of the densely congested section destroyed. Despite Japanese denials the bombs were many of them incendiary. Others were from 250 to 500 pounds in weight. The inhuman barbarity of so callously ordered slaughter of defenceless human beings and the wrecking of the livelihood of many more is worse even than all else the Japanese have done thus far. And I felt more keenly than ever the shame and horror of American sale to Japan of the materials without which such atrocious massacre would be impossible.

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

To the Board of Trustees

1c

May 7, 1939

III. Yenching at the Temporary Capital

Everywhere on this trip I have found Yenching graduates, highly spoken of by others, enthusiastically loyal to the institution, the most joyously satisfying argument for all that we have been trying to maintain. But this feeling was intensified at Chungking. I found them - or they found me - everywhere. They had planned a big gathering for last night (the hour that I was actually reaching here in the darkness). The Journalism Club was to have entertained me the evening before at a restaurant which had been blown out of existence. They seemed to be in every important news agency in the city.

The Spiritual Mobilization with which I began my visit was led by a boy and two girls in white with red sashes standing in front of the Generalissimo with torches for the lighting of others. The boy was Charles Lu whose chief (George Fitch) happening to be away made it possible for him to offer to help in my appointments. He is doing notable work in the Y.M.C.A. Soldiers Emergency Relief.

C. C. Liang was head of the Emergency Religious Work for Students and was with a missionary conducting meetings for students at which hundreds almost daily were making decisions to study Christianity or to follow Christ.

Dr. Timothy Lew, while serving in the Legislative Yuan, is preaching, writing, holding interviews, with a tireless energy his frail body would seem unable to endure.

Other former teachers are in important official posts. William Hsu was principal of a Methodist Academy near the Great Wall but was called to Free China to aid in locomotive repairing. As Christmas approached he was appalled by the wretchedness of wounded soldiers who in large numbers were suffering from neglect. He started what has expanded into a wide flung movement under the name of Friends of Wounded Soldiers.

Six of our boys are in the International Publicity Bureau, as many more in the headquarters of the vigorous Industrial Cooperatives Movement, and others in wartime bureaus or technical services. The officials I met and many others spoke in praise of them. And of course because of my brief stay and the disruption caused by the bombing I only had random touches with them.

But there were sorrowful reminders of the grimmer aspects of this life in the capital. I learned by chance of one who with his entire family was done to death in the second raid. I met another who had been able to rescue his wife and baby but had lost all his possessions. How many more suffered death or other disaster cannot yet be ascertained.

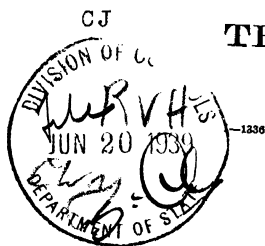
Very sincerely yours,

J. Leighton Stuart

0612

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

5825



PLAIN
TELEGRAM RECEIVED
 CHUNGKING via NR

Undated

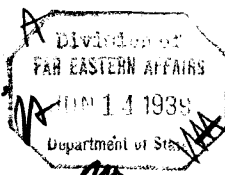
FROM

Received June 14, 1939

7:47 a.m.

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

Secretary of State,
 Washington.



JUN 19 1939

793.94
 89th 2d

Last night eleventh 26 bombers devastated large densely populated sections Changtu also dropped four bombs west China Union University campus American British property where 40 Americans, 35 Canadians are living. One student killed, several Chinese staff and students injured, President Chen University Nanking and family miraculously escaping death, American Mrs. Liljestrad injured, big fires in city, no possible military objective. This action and recent raids Chungking and other cities belie Japan's recent assurances regarding bombing of civilian populations publicized by State Department. Recent tactics stringing bombs across crowded civilian areas, particularly diabolical. Again we remind you that these utterly wanton killings and destruction are made possible by American assistance through continued sale gas, iron et cetera to Japan. We implore immediate

793.94/15089

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

-2- Undated from Chungking via NA

immediate underscore action stopping our participation
in this inhuman business.

FITCH, PRICE, FENN, SMYTHE

KLP

0614

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

PREPARING OFFICE
 WILL INDICATE WHETHER

Collect

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Charge to
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TELEGRAM SENT

Department of State

1939 JUN 19 PM 4 33

5628

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE
 PARTIAL
 PLAIN

Washington, NAVAL RADIO
 June 14 1939

5 PM

AMEMBASSY,

CHUNGKING (CHINA). *via NR*

INFO: AMEMBASSY, PEIPING (CHINA).

109 ✓ One. The Department has received an undated message from Chungking signed QUOTE Fitch, Price, Fenn, Smythe UNQUOTE in regard to the bombing of Chengtu on June 11. An identic message under date June 12 was addressed to the President. If you perceive no objection, please make appropriate acknowledgment of the receipt of the messages under reference.

Two. As you are aware, representatives of this Government have been in communication with the appropriate authorities of the Japanese Government and have expressed to those authorities this Government's concern not only in regard to the welfare of American nationals and American interests in areas under attack but also, on humanitarian grounds, in regard to air attacks upon civilian populations. The Department has given and will continue to give to all phases of the situation its most careful consideration to the end that all appropriate and practicable steps may be taken toward the safeguarding

Enciphered by _____

Sent by operator _____ M., _____, 19____

D. C. R.—No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

793.94/15089

F/FG

0615

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

PREPARING OFFICE
 WILL INDICATE WHETHER

Collect

Charge Department
 OR

Charge to
 \$

TELEGRAM SENT

15627

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE
 PARTAIR
 PLAIN

Department of State

-2-

Washington,

of American nationals and interests.

Three. With reference to the aerial bombardment of non-combatants it will be recalled that in July of last year the Department expressed to the manufacturers and exporters in this country of airplanes and aeronautical equipment its disapproval of the export of aeronautical supplies to countries the armed forces of which are engaged in the bombing of civilian populations from the air. In response to this expression of disapproval the manufacturers and exporters under reference are cooperating fully and it may be added that for the past six months no licenses for the export to Japan of arms, and ammunition or implements of war, including aircraft, have been applied for or issued.

Four. You may in your discretion communicate the substance of paragraphs two and three to the signers of the messages under reference.

Repeated to Peiping.

CR
 JUN 19 1939

793.94/15089

FE:GA:RCM:HJN

Enciphered by

FE

Sent by operator M., 19

D. C. R.-No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

0616

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

TELEGRAM

RECEIVED
 DEPARTMENT OF STATE
 The White House
 Washington
 2WUAB 151 Via RCA
 1939 JUN 15 AM 11 42

Telegram to Chung King
 Division of
 FAR EAST
 JUN 16 1939
 Department of State

F., Cungkung June 12, 1939

THE PRESIDENT: RECORDS

Last night eleventh 26 bombers devastated large desely
 populated sections Chengtu also dropped four bombs West China
 Union University Campus American British property where 40
 Americans 35 Canadians are living. One student killed several
 Chinese staff and students injured President Chen University
 Nanking and family miraculously escaping death. American
 Mrs. Liljestrad injured big fires in city. No possible military
 objective. This action and recent raids Chung King and other
 cities belie Japans resent assurance regarding bombing of
 civilian populations publicized by State Department. Recent
 tactics stringing bombs across crowded civilian areas particularly
 diabolical. Again we remind you that these utterly wanton killings
 and destruction are made possible by American assistance through
 continued sale gas iron etcetera to Japan. We implore immediate
 underscore action stopping our participation in this inhuman
 business.

Fitch Price Fenn Smythe.

F.W. 793.94/15089

MAR 4 1942

FILED

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

FE

TELEGRAM RECEIVED

JR

FOURTH MARINES

June 13, 1939

1-1836

FROM Rec'd 7:55 p.m.

ACTION: CINCAF

INFO: COMYANGPAT
 COMSOPAT
 AMAMBASSADOR CHINA
 OPNAV
 STATSHIP HANKOW
 ALUSNA PEIPING

Division
 FAR EASTERN AFFAIRS
 JUN 14 1939
 Department of State

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

EGK

793.94

8613. Digest Tuesday press. Reuter's Chungking.

Twenty-seven Japanese machines attacked Chungking
 as well as Chengtu. Chinese reports claim several
 Japanese machines were shot down. Two foreigners at
 West China University said hurt. Eight Chinese girls
 on University campus suffered death.

Local press.

Two Japanese succumbed as result of wine poisoning
 at Japanese Consulate General in Nanking.

United Press.

Tientsin blockade starts tomorrow United States
 told. Tientsin said turned into armed camp. Many foreign
 women and children leave Concession. American Consul
 General given assurance that food would be allowed into
 Concession.

Domei, Hong Kong.

Condemned Koumintang deputy executive breaks silence.

Wang Ching Wei issues new peace appeal. Suffering of
 people

793.94/15090

F/FG

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

-2- #8613, from FOURTH MARINES, June 13, 1939.

people in interior described as unspeakable. Did not
leave Chungking for fear of his life or selfish motives.
1000.

OPNAV

EMB:NPL

0619

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Department of State letter, August 10, 1972
By Milton C. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

JR

GRAY

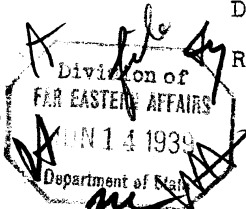
1-1239

FROM Tsinanfu via Tsingtao & N.R.

Dated June 10, 1939

Rec'd 7:20 p.m., 13th.

Secretary of State,
Washington.



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

33, June 10, 9 p.m.

Referring to my telegrams number 31 and 32.

One. Reports from different sources indicate

Japanese punitive expedition composed of from 6 to 8 detachments closing in on Ishui-Chuhsien area from the north and south. Operations from June 6th to 8th not only resulted in capture of Mengyin but Japanese advanced to Shushui 20 miles north of Ishui and to points 20 miles southwest and 30 miles southeast of Chuhsien reportedly inflicting a series of crushing defeats upon Chinese forces under Yuhoueh Chung, Shen Hung Lieh and Miao 57th army is now in city of Chuhsien and a strong defense Cheng Liu.

Two. The latter commanding two divisions of the line is said to have been constructed under his direction between Tatien and Hoyangchen, about 30 miles in length, in an effort to prevent Japanese advance northward to Chuhsien.

Repeated

793.94/15091

F/FG

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

-2- #33, June 10, 9 p.m., from Tsinanfu.

Repeated to Chungking. Mailed to Peiping and
Tsingtao.

HAWTHORNE

RR:DDM

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

TELEGRAM RECEIVED

FS

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (BR)

Foochow via N. R.

FROM Dated June 13, 1939

Rec'd 10:30 a.m. 14th

Secretary of State,
 Washington.

June 13, 9 a.m.

The first bombing raid on Foochow since May 29

occurred yesterday afternoon when two Japanese airplanes
 dropped two bombs near the Socony Vacuum Oil Company
 installation and two on saw mill on Nant'ai Island. Pre-
 ceding the attack five seaplanes circled for an hour over
 the city and environs. From six to eight airplanes carried
 out four attacks on Changmen fort dropping about fifty
 bombs.

The first commercial boat to pass the barrier since
 May 20 was the Socony Vacuum launch which the Chinese naval
 authorities permitted to go to meet USS POPE June 11.

The first mail since May 24 arrived yesterday over-
 land from Shanghai and Hong Kong.

Sent to Peiping, repeated to Chungking, Shanghai.

OSB

FLETCHER



793.94/15092

F/FG

0622

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of June 13, 1938, from the American Consulate at Foochow reads substantially as follows:

On June 12 the first mail since May 24 reached Foochow overland from ^{Hong} Kong and Shanghai. On June 11 the Chinese naval authorities allowed the Socony Vacuum launch to go to meet the U.S.S. Popo. This was the first commercial boat which has passed the barrier since the twentieth of last month.

On the afternoon of June 13 two Japanese airplanes dropped two bombs on a sawmill on Kantai Island and two in the vicinity of the Socony Vacuum Oil Company installation. This was the first airplane raid on Foochow since May 29. For an hour five seaplanes circled over the city and its suburbs before the airplane attack. About fifty bombs were dropped by from six to eight airplanes which carried out four attacks on Changmen fort.

793.94/15082

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 FE:Christenson:HES
 6-15

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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. Hueston NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 19, 1939.

Reference Marine Intelligence summaries for April, enclosed with Shanghai's despatch no. 2198 of May 15.

As principal Japanese achievements in April are listed:

Paralyzation of the "most important arms supply route of the Chinese" by capture of Nanchang;
 Successful holding of the much exaggerated Chinese "April Offensive";
 Effective use of the air force in various areas.

As principal Chinese achievements are recorded:

A spirited defense of Nanchang;
 Annihilation of 2,000 Japanese who attempted to capture Ningpo;
 Frustration of Japanese attempts to conquer Shansi and take Changsha;
 A decisive repulse of a determined four week offensive by three Japanese divisions with heavy artillery in the Wuning-Kaoan area, which was the "first Chinese success in positional warfare";
 Commencement of use of aircraft in support of ground forces and ^{for} reconnaissance with guerrillas.

FE:Chase *RK*

0624

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

NO. 2198

AMERICAN CONSULATE GENERAL,
Shanghai, China, May 15, 1939.

SUBJECT: Intelligence Summaries for
Month of April 1939.

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

SIR:

I have the honor to refer to my despatch no.
1/ 2107/14943 of April 12, 1939, and to enclose, as of possible interest to the Department, copies of intelligence summaries for the month of April 1939, prepared by the Intelligence Officer of the United States Fourth Marines.

Respectfully yours,

C. E. Gauss
American Consul General

Enclosure:

1/- Intelligence summaries
for April 1939.

800
EFS MB

In Single Copy.

Copy to Embassy, Peiping.

Copy to Embassy, Chungking.

793.94/15093

F F G 15093

0625

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

DECLASSIFIED
 E.O. 11652, Sec. 3(E) and 5(D) or (E)

OSD letter, May 3, 1972
 By [Signature] NARS Date 3/19/73

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

1 April, 1939

RESTRICTED:

R-2 REPORT, PERIOD 0800 25 MARCH, TO 0800 1 APRIL, 1939,
MILITARY OPERATIONS (SEE MAP).

The Japanese in a 10 day drive captured NANCHANG, the capital of KIANGSI province. This advance, launched with the crossing of the SUI river is the largest scale offensive since the attack upon the WUHAN triple cities in October last year. The Japanese forces composed of the 6th, 16th and 106th divisions fought their way from the SUI river to the KAN river, a distance of 65 kilometers in seven days, against the bitterest resistance the Chinese have shown since the early months of the war. The Japanese crossed the KAN river in junks, at several points, both north and south of NANCHANG. This permitted the city to be attacked from several directions, and the Chinese troops evacuating NANCHANG to be cut off.

In the defense of NANCHANG the Chinese employed artillery, tanks, armoured cars and airplanes, in addition to the usual infantry weapons. This use of aircraft at the front in support of the ground forces is the first case reported in more than a year, and is another indication of the improved conditions of Chinese aviation. ✓

After capturing NANCHANG the Japanese immediately continued their drive along the railway in the direction of CHANGSHA. They are now reported to be converging on KAOAN, west of NANCHANG, in three columns. The Chinese, here as at NANCHANG, are offering stiff resistance.

MILITARY OPERATIONS CONT'D:

Although reports from CHUNGKING continue to minimize the importance of the present Japanese offensive in KIANGSI, the occupation of the KIANGSI capital will paralyze the most important arms supply route of the Chinese. Prior to the start of the KIANGSI campaign the CHEKIANG-KIANGSI railway was an excellent source of supplies through such ports as NINGPO, WENCHOW and FOOCHOW. Through these ports the largest Chinese munitions plants at HENGYAN in HUNAN province received their raw materials.

The capture of NANCHANG also extends the blockade theory by which the Japanese hope to reduce the effectiveness of the long-term resistance on which the Chinese are basing their hope of victory. This blockade theory is simply the belief of the Japanese that by cutting off all the rich territory east of the CANTON-HANKOW railway, which remains untouched by the war, from contact with the Koumintang, this area will eventually fall within the orbit of the new China Regime.

The Japanese claim that the Chinese losses in the NANCHANG area were 3,200 dead and 1,400 taken prisoner. They also claim to have captured nine heavy artillery pieces and many mountain and heavy machine-guns of the Czechoslovakian manufacture.

On the WUNING front Japanese of two unidentified divisions reinforced by the ninth division from TUNGCHENG have been attempting the capture of WUNING for the past week. The Japanese have repeatedly announced its fall, but as yet there has been no confirmation from Chinese or other sources. An idea of the resistance the Chinese are offering can be seen when it is realized that three Japanese mechanized divisions with heavy artillery have been hammering at this city all week without any appreciable gains. The Chinese defending the city are part of the 19th Army reinforced by the 4th Army under General ERH CHAN formerly stationed at SIUSHUI. The Chinese defense of this city was described by Japanese veterans as being more spirited than that of NANKING in 1937 and at HANKOW in 1938.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

MILITARY OPERATIONS CONT'D:

The Japanese figures on the Chinese losses during the weeks engagement in the WUNING sector are 5,500 dead and 800 Chinese taken prisoner. They also claim to have captured large quantities of guns. An interesting item in the Japanese reports is their repeated mention of the extreme youth of the Chinese defenders of WUNING.

NINGPO OPERATIONS:

The Japanese Navy during the week made another attempt to capture the forts at CHENHAI which defend NINGPO. While the Japanese claim that they did considerable damage, the forts remain in the hands of the Chinese.

Last week strong Japanese forces crossed the CHIEN TANG river south of HANGCHOW in an attempt to take NINGPO by land. After crossing nothing more was heard from them until the Chinese reported them annihilated. These reports were discounted until foreigners returning from this area substantiated the Chinese reports. ✓

As they report the affair the Japanese crossed the CHIEN TANG river by way of the two islands just south of HANGCHOW. About 1,000 had reached the eastern bank when the Chinese attacked them. This force was completely annihilated. The Chinese then took up positions on the eastern bank of the river and with machine-gun and rifle fire killed another 1,000 Japanese trapped on the island.

The Chinese claim to have six divisions of infantry, cavalry and artillery troops of the Central Army in this area. The Japanese discount these reports on Chinese strength but admit that about 15,000 Chinese soldiers of the Central Army are actually there.

GUERRILLAS:

The much advertised drive against the guerrillas seems to be under way in SHANSI. The Japanese claim that some 30,000 regular army troops and guerrillas, most of which have infiltrated into SHANSI after crossing the YELLOW river in the PINGLU area in the north and the JUICHENG area in southwestern SHANSI, are carrying out the Koumintangs scorched earth policy to the detriment of the Chinese peasants.

The non-guerrilla element of the Chinese forces in SHANSI consists of the 177th and 117th Divisions of the Central Army, the 46th and 47th brigades of the SHANSI Provincial Army, in addition to the 104th and 178th SZECHUEN Divisions, under the command of General SUN WEI-JU.

While SHANSI has long been a major problem to the Japanese, the effectiveness of their present drive against the Chinese in SHANSI is doubted. Their inaction in this area has been militarily demoralizing and politically disquieting at home. It is this dilemma from which they are now seeking to extricate themselves by military operations within the occupied area under the pretext of consolidating their positions. ✓

This process of consolidation to all appearances means only one thing, the abandonment of one position in order to occupy another. The net result therefor is not consolidation of positions but merely the shifting of positions. This action plays into the hands of the Chinese who cannot meet the Japanese frontal attacks. ✓

AVIATION (JAPANESE)

Japanese aviation has played a prominent part in the recent operations against the Chinese defenders of NANCHANG. Apparently there was no opposition offered by Chinese planes thus leaving the Japanese airmen with only anti-aircraft fire to cope with.

AVIATION (JAPANESE CONT'D.)

Trains on the CHEKIANG-KIANGSI railway, in the vicinity of NANCHANG, were made the targets of bombers during the first part of the week. Also during this period a bridge located approximately five kilometers west of NANCHANG was set on fire by aerial bombs.

Japanese Naval aircraft are reported to have caused heavy casualties when they attacked Chinese troops concentrated south of the LAO river and along the KIUKIANG-NANCHANG railway.

On March 28th Army aircraft conducted operations against Chinese troops in the mountainous regions approximately 65 miles west of NANCHANG.

Various reports state that Chinese troops retreating south and west from NANCHANG have been vigorously pursued and attacked by Japanese aviation. The retreat is being made mostly on foot but some of the troops are using junks or railroad transportation. It is claimed that 50 freight cars filled with troops were blown up on March 30th in the hills east of LINKIANG which is about 90 kilometers southwest of NANCHANG.

The activities of Japanese aviation during the past week outside of the cooperation with the ground forces attacking NANCHANG, are spread over a wide front.

Naval aircraft bombed and machine-gunned SWATOW and CHANG-CHOW railroad stations on March 25th and 26th. One locomotive, several railway carriages and buildings in the station compounds were demolished. Junks on the CHAO CHOW river were bombed and sunk.

Naval aircraft was also active above HAINAN island where the operations were directed at mopping up Chinese stragglers.

Two Japanese airplanes are claimed to have been destroyed in aerial combat on March 31st near KONGMOON which is located about forty miles southwest of CANTON.

163

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

AVIATION (JAPANESE CONT'D:)

Japanese Army aircraft in cooperation with land forces forestalled a Chinese attack on WUSUEH, YANGTZE port in eastern HUPEH.

Going further north, it is reported that a Chinese airdrome at LIANGSHAN, east of CHUNGKING, was bombed by Japanese naval aircraft on March 29th. Hits were scored against airplane repair shops, fuel tanks, and ammunition stores. Chinese planes did not rise to engage the Japanese bombers. According to the Chinese report more than 100 bombs were dropped.

AVIATION (CHINESE)

The center of Chinese aerial activity during the past fortnight has definitely been in the area surrounding CANTON. Operations outside of this area have been very restricted.

A report, late in being published, claims that a Chinese air squadron raided a Japanese airdrome at CANTON on March 23rd. On the next day Japanese warships in the mouth of the PEARL river were bombed. One of the planes participating in this raid was shot down. An airdrome, installed by the Japanese on SAN CHOW island which lies southwest of MACAO, was the target of five Chinese planes in a raid conducted on March 25th.

Reports on Chinese aviation operations outside the NANCHANG area are few. However, it is known that there was some participation by planes of the Chinese airforce. A Japanese motor launch on the SUI river was attacked by five Chinese planes on March 25th. Of considerable interest is the report that nine Chinese planes, on March 28th, bombed the cities of ANI and FENGSHIN which are located approximately forty miles generally northwest of NANCHANG and are in the area of the recent heavy fighting.

A Chinese report says that a squadron of Chinese machines on March 19th bombed a concentration of Japanese warships in the vicinity of FUNING, off the north KIANGSU coast, damaging two warships.

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

MISCELLANEOUS CONT'D:

building defensive positions. The Japanese claim that the Soviet troops were repulsed and later withdrew back across the border. A clash occurred at the same point two weeks ago.

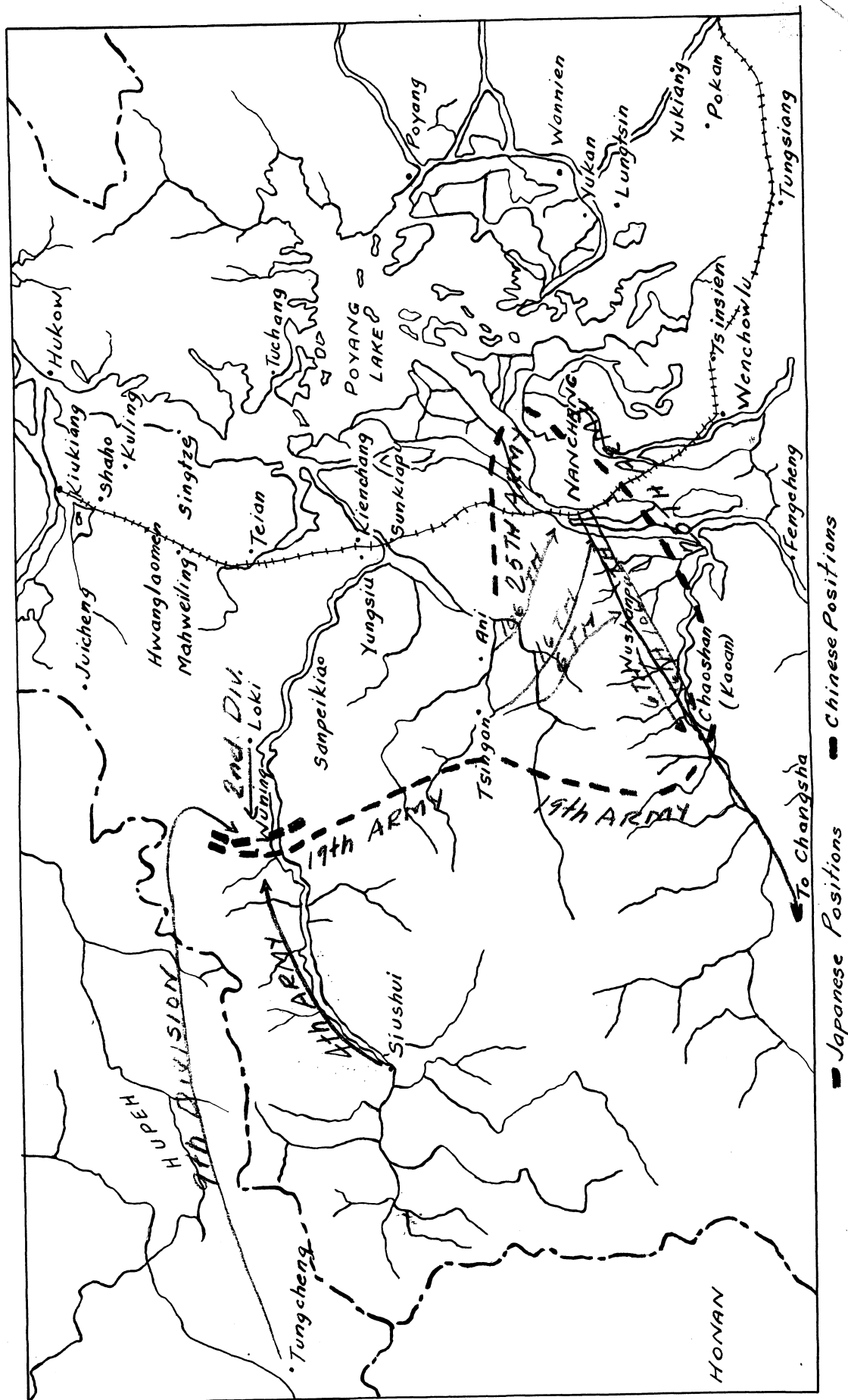
A dispatch from KOREA states that Soviet soldiers are constructing fort and heavy artillery positions at PUSHINTUNG, northeast of CHINGKUFENG hill. The message said that Soviet troops already have completed defense works back of CHINGKUFENG, where bitter fighting took place between Japanese and Russian troops in August, 1938.

RUSSIAN-JAPANESE FISHERY DISPUTE:

A Japanese spokesman announced on 24 March at TOKYO that there would be no participation by the Japanese in the re-auction of fishery lots scheduled to take place on 3 April.

J. S. KONTZMAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

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



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

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

8 April, 1939.

RESTRICTED:

R-2 REPORT, PERIOD 0800 1 APRIL, TO 0800 8 APRIL, 1939.

MILITARY OPERATIONS:

The Japanese have been stalemated in both their drive on CHANGSHA and their drive on SUISHI. On the railway toward CHANGSHA, they captured KAOAN early in the week, but have been unable to make further progress. The delay beyond this point is of great advantage to the Chinese as it gives them time to reorganize the scattered 19th Army, (195th, 2nd, 140th, 60th, and 95th Divisions). This Army which is under the command of Kuan Ling-chen, bore the brunt of the attack on NANCHANG.

The 92nd Army and the 98th Army, which belong to the 31st group of armies, as does the 19th Army, are under the command of General Tang En-po, Vice-Commander of the 9th War District and co-victor of TAIERCHUANG. These two Armies during the week moved up from the vicinity of PINGKIANG to KAOAN on the road to CHANGSHA and are believed responsible for halting the Japanese drive in this sector. At CHANGSHA is the 51st Division which is the personal division of Hsieh Yu Commander-in-Chief of the 9th War District.

On the WUNING front three Japanese divisions have been hammering in this area for three weeks without any appreciable gains. The defenders of this area are parts of the 19th Army reinforced by the 4th Army (89th, 110th, and the new 35th Divisions) under the command of General Erh Chan. Reports from Japanese sources claim to have made gains in this area, while those from Chinese sources claim the Japanese have been driven back to the city.

The best estimate is that the lines have remained approximately stationary for the past three weeks. The terrain lends itself readily to defense, and with the Chinese forces daily strengthening, Japanese success in this sector seems doubtful without their being reinforced. ✓

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

GUERRILLAS:

The province of SHANTUNG, which the Japanese have occupied since the start of hostilities, gives perhaps the truest picture of conditions in the Japanese controlled territory. The province being contiguous with MANCHOUKUO, which has been under Japanese domination since 1932, has offered the most favorable conditions to the Japanese for pacification. 5?

The only obstacle to pacification and exploitation of this province is and has been the guerrillas. These guerrillas are composed of three elements. The majority are genuine forces of the Central Government under the control and direction of CHUNG-KING. A second element are those forces who are supported and directed by the Japanese, their mission being to impede the movements of the genuine guerrilla forces. This second element makes more for disorder than for order. The third element is the local bandit group, who, taking advantage of the nebulous state of control in their regions, are exploiting the countryside. The bandits and the genuine guerrillas have a common antagonism to the Japanese and are making a common effort to harass them. The success of these elements can be judged by the drastic measures the Japanese command has adopted to combat them.

"All males between the ages of 17 and 40 years of age will be put to death, in addition to the destruction of any village harbouring guerrillas," states an order emanating from Japanese Headquarters at TSINAN, Capital of SHANTUNG province. This puts the farmers and villagers in a most unenviable position. If they fail to report the presence of guerrillas in their villages it means death from the Japanese and if found reporting to the Japanese, it means death from the guerrillas. ✓

Another indication of the effectiveness of the guerrillas is the elaborate precautions taken in protecting the TSINGTAO-TAINAN railway. Along this line every station is manned by well armed troops. Every bridge along this railway is likewise carefully guarded. In addition to these station guards, the

GUERRILLAS CONT'D:

Japanese have constructed ground level, reinforced concrete covered dugouts at intervals of about 200 yards. These dugouts are manned by Japanese soldiers day and night. Further protection of the railroad is maintained by a second line of dugouts only 150 yards from the railway bed and also 200 yards apart; these are manned by local farmers. These farmers share with the Japanese army the responsibility of protecting the railway. Even boys in their teens are observed taking turns as guards in dugouts of the second line of defense. The restrictions along the railway are such that should any Chinese approach the railway without an identifying "dog tag", as the strips of white cloth issued by the Japanese are called by the people, they are promptly shot without question.

Regardless of all these precautions broken bridges and overturned cars along the railway lines are evidence of the guerrillas success. There is also the grimmer evidence of destroyed villages as the result of these attacks. The result is that the railway is Japanese in the day time, but it reverts to the guerrillas at night, at which time the Japanese soldiers do not dare venture beyond their barricaded quarters. ✓

The Japanese have been more successful of late with the populace, because of the relief they are giving to the thousands of economically needy farmers. This relief is in the building of roads and railroads in this province, the workers receiving daily wages, which are a God-send to these people, who have no other employment or financial opportunity. In many cases the Japanese are welcomed because of their stabilizing influence on the villages they occupy, and also because of their suppression of bandits, which at times pose as guerrilla forces, and under the cloak of patriotism, plunder the people and force them to contribute to their support. ✓

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

AVIATION (JAPANESE):

Japanese Aviation in the past week was most active in the NANCHANG area and in northern HUPEH west of the PEKING-HANKOW Railway. Naval bombers cooperated with infantry forces operating south of NANCHANG and repeatedly raided Chinese positions in that area. The CHEKIANG-KIANGSI Railway was bombed. Naval planes, on April 2nd, also bombed military establishments at WANGSHAN, located 95 kilometers north of CHANGSHA. Airplane repair shops and other military establishments at HENYANG, southeastern HUNAN, were the bombing targets of naval planes on April 4th. On the same day a fuel depot and military establishments at CHANGSHA were bombed.

Another Naval air unit concentrated its attacks on communication lines. Several railway stations and towns on the highways east of NANCHANG and transportation centers along the KAN river were bombed.

Japanese air raiders operating against the towns in the area of KWEISI, which is located 150 kilometers east of NANCHANG, concentrated their efforts on railroad stations and rolling stock.

While the Naval planes were operating in the NANCHANG-CHANGSHA area Army planes were concentrating their attacks in the sector west of the PEKING-HANKOW Railway. On April 4th and 5th a large district around SUIHSIEN and SIANYANG, both cities located in northern HUPEH, was raided. Troop concentrations and military establishments were the main targets.

SIAN, focal point of Chinese military activities in SHENSI, was bombed both on April 2nd and 3rd. It is reported that seven planes participated in the raid and that over 50 bombs were dropped. Part of the English Baptist Mission was destroyed during the raid.

It is also reported that two cities in central SHANSI were bombed and heavily damaged during the early part of the week.

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

AVIATION JAPANESE CONT'D:

In South China Japanese Naval aircraft have been concentrating their operations on NANNING, southern KWANGSI. Daily raids were made since April 1st. It is reported that the mission of the raids, the destroying of railway materials and military stores, was accomplished.

AVIATION (CHINESE)

Again this week the activities of the Chinese air force are confined to Central and Southern China. A Chinese squadron made a raid on the Japanese airdrome at CANTON on the 30th of March. On the same day five Chinese planes attacked the Japanese airdrome at HANGCHOW and motor launches in the FUCHUN River were bombed on April 1st. Also on April 1st three Chinese planes conducted a raid over NANCHANG and WUNING. It is claimed that Japanese troop concentrations were machine-gunned and that many bombs were dropped.

ECONOMIC:

CURRENCY IN NORTH CHINA:

The regulations providing for the suppression of Central Government bank notes have been in effect for about a month. This suppression is meeting with success in small shops, labor and lower economic circles, but the capitalist classes are finding ways to get around the regulations, and so, too, are the Japanese business men and the larger interests which have seized railways, cotton and flour mills and other types of large business. The evaders of the above mentioned currency regulations, which require the use of Federal Reserve bank-notes exclusively, are still maintaining Central Government bank-notes at a premium, particularly for exchange on SHANGHAI and TIENTSIN. There are centers where the Federal Reserve bank-notes are regularly exchanged and sold for transmission to these two large centers of export. In TSINAN, which is located in western SHANTUNG, the Japanese business community has itself requested a postponement in the application of the regulations. ✓

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

CURRENCY IN NORTH CHINA CONT'D:

In the larger cities the regulations are officially in full force, but in many others the authorities are winking at violations and in still others there have been announcements of a postponement of the date for enforcing the regulations. In both large and small cities as a result of the regulations, there has been a rapid rise in the cost of commodities. The estimate of the rise runs from thirty to seventy per cent.

MISCELLANEOUS:

OPENING OF TSINGTAO HARBOR:

So far the opening of TSINGTAO harbor is proving no great help to foreign shipping. Foreign business is hamstrung by the new export regulations, and the piers are available still only at the will of the local military authorities. If there is military use for the limited pier space theoretically made available, foreign ships are, of course, debarred.

RUSSIAN-JAPANESE BORDER DISPUTE:

The MANCHOUKUO Government is preparing to lodge a formal written protest in MOSCOW over operations of Soviet troops which allegedly crossed the MANCHOUKUO border on April 2nd and 3rd and fired on MANCHOUKUO patrols near LIUKA in the SANHO district.

A report of considerable interest, but late in being released, is that outer Mongol troops, in some ten armoured cars and motor lorries, crossed the border and entered MANCHOUKUO territory near a town called ARAGABOLKA between March 18th and 20th.

An April 5th report states that some Japanese soldiers were killed in a 2 day engagement with Soviet troops who attacked LIUCHIA, near MANCHOULI. Between 2 and 3 hundred men were engaged in the fight which included the use of artillery and machine-guns by the Soviets.

FISHERIES DISPUTE TEMPORARILY SETTLED:

Soviet-Japanese fisheries agreement was signed at MOSCOW on April 2nd after about 5 months of difficult negotiations. The 1928 convention has been prolonged for one year only. As a result of the agreement Japanese fishing interests participated in the second auction held in VLADIVOSTOK on April 4th. 254 fishing lots were acquired by the Japanese. These lots were leased for one year only. Twenty seven lots/^{which} had been in the past allotted to the Japanese were withdrawn by the Russians.

The Soviets claim that they have secured success with regard to three main points in the admission by Japan of the Soviets right to withdraw some lots which had been granted previously, and acknowledgement of the auction principle which the Japanese had previously refused to accept while the new concessions granted to the Japanese are of smaller value than those withdrawn from them.

CHINESE TROOP DISPOSITIONS: (See Map)

The latest information available shows China divided into eight War Districts. Of the eight districts we have authentic information on the numbers and locations of divisions and armies, the names of commanders of the different units and War Districts.

WAR DISTRICTS

COMMANDER-IN-CHIEF

No. 1	Wei Li-huang
2	Yen Hsi-shan
3	Ku Chu-tung
4	Chang Fah-kwei Yu Han-mou (asst.)
5	Li Tsung-jen Li Ping-Hsien (asst.)
6	Sun Lien-chung
8	Chiang Kai-shek Chu Shao-liang (asst.)
9	Hsieh Yu Shang Chen (asst.)

SHANSI was originally under the 8th War District but because of the unwieldiness of the 8th, SHANSI was formed into the 2nd War District.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

CHINESE TROOP DISPOSITIONS CONT'D:

Wei Li-huang now commander of the 1st War District has been appointed to that position. He was formerly commander of the 14th Army (Central Govt.) and fought the Japanese to a standstill in the hills about MENTOUKOU west of PEIPING in September 1937. He is also remembered as having put up the first strong resistance in North China at HSINKOU in SHANSI in October of the same year.

The troops in the 3rd War District, which includes SHANGHAI, are predominately Szechuenese. The 21st Army (145th D, 146th D, and 2 New Divisions) (see Diagram) the 23rd Army (147th D, 148th D, and the 9th Brigade) and the 50th Army (New 7th and 1 other Division) which are in the 3rd War District are all Szechuenese troops. Other troops in this District are the 25th Army (52nd, 108th and 1 other Division) the 29th Army (not the old 29th Route Army) and the New 4th Route Army (Communist Organization of 20,000 men).

The Ninth War District is defended by two Groups of Armies, the 31st and the 1st Army Groups. The 31st Group of Armies under General Tang En-po is composed of the following: 92nd Army, 98th Army, 19th Army, 46th Army (Behind the Japanese lines fighting guerrilla fashion), 18th Army (11th, 43rd and New 23rd Divisions), 4th Army, (89th, 110th, New 37th D, New 35th Division.) 195th, 2nd, 25th, 140th, 60th, and the 95th Divisions with the 57th and 58th Divisions in reserve.

The 1st Group of Armies as follows: 182nd, 183rd, and the 184th (Yunnan German trained), 6th Army (49th, and 2 others), 75th Army (6th, 13th, and 4 reserve divisions), 51st Division at CHANGSHA (Hsieh Yu's personal troops), 70th Army (19th, and other unknown Divisions), 91st, 116th, and 130th, (Tungting Lake).

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 By Milton D. Gustafson NARS, Date 12-18-75

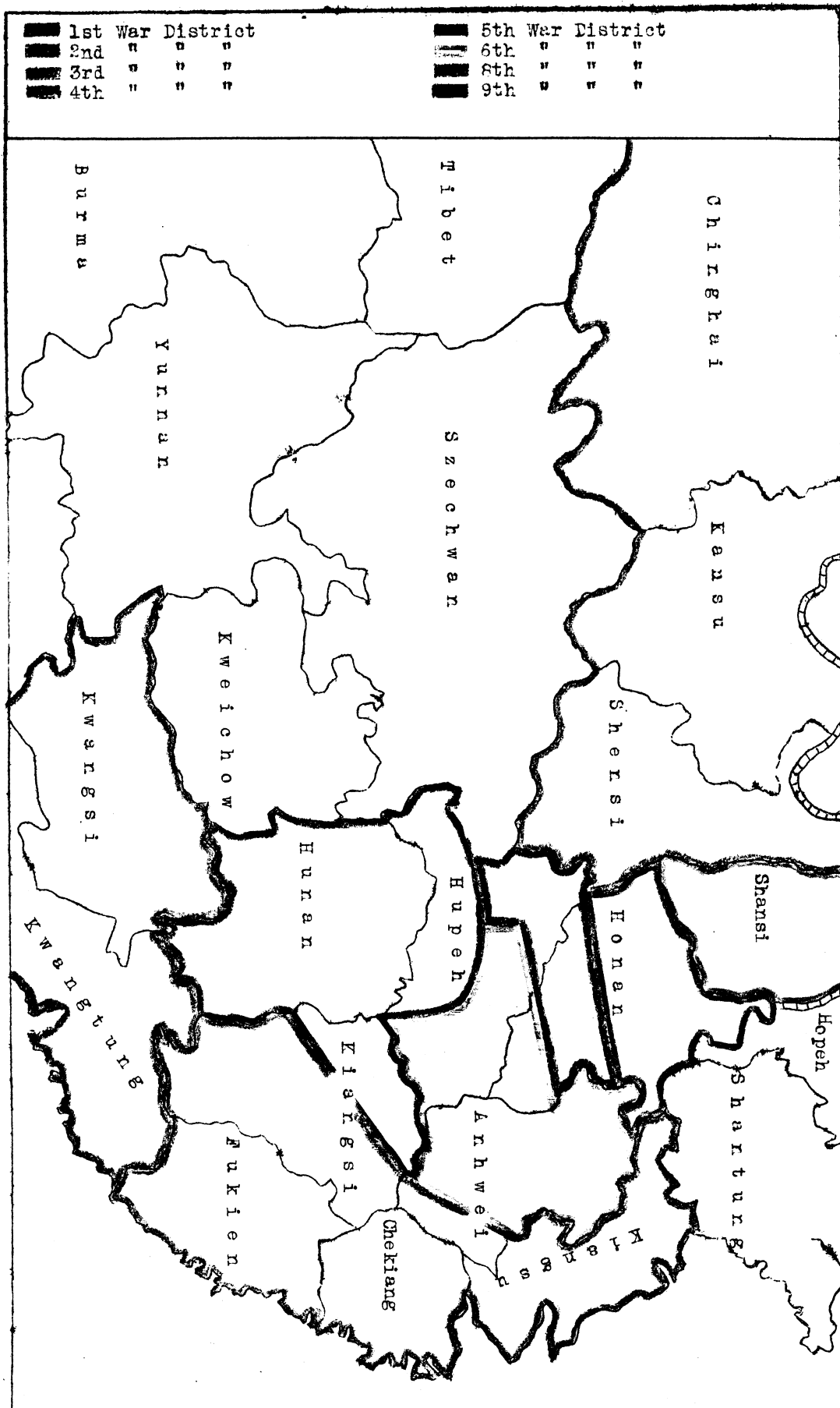
There is a total of 50 Divisions in the 9th War District, under the command of Hsieh Yu a Cantonese. He formerly commanded the 1st division in the SHANGHAI area in 1927.

The 4th War District: The following KWANGTUNG divisions are stationed in the 4th War District: (59th, 90th 151st, 152nd, 153rd, 154th, 155th, 156th, 157th, 158th, 159th, 160th, 185th, 186, and the 187th), also the 190th, 200th, 78th, 22nd and the wounded soldiers divisions (composed of wounded soldiers) Kiangsi troops. The 31st Army (131st and 135th). The 179th, New 19th, and the 170th Divisions are in the neighbourhood of PAKHOI. There is also a mechanized regiment in KWANGTUNG with Russian and English tanks, with Russian mechanics, technicians and advisers.

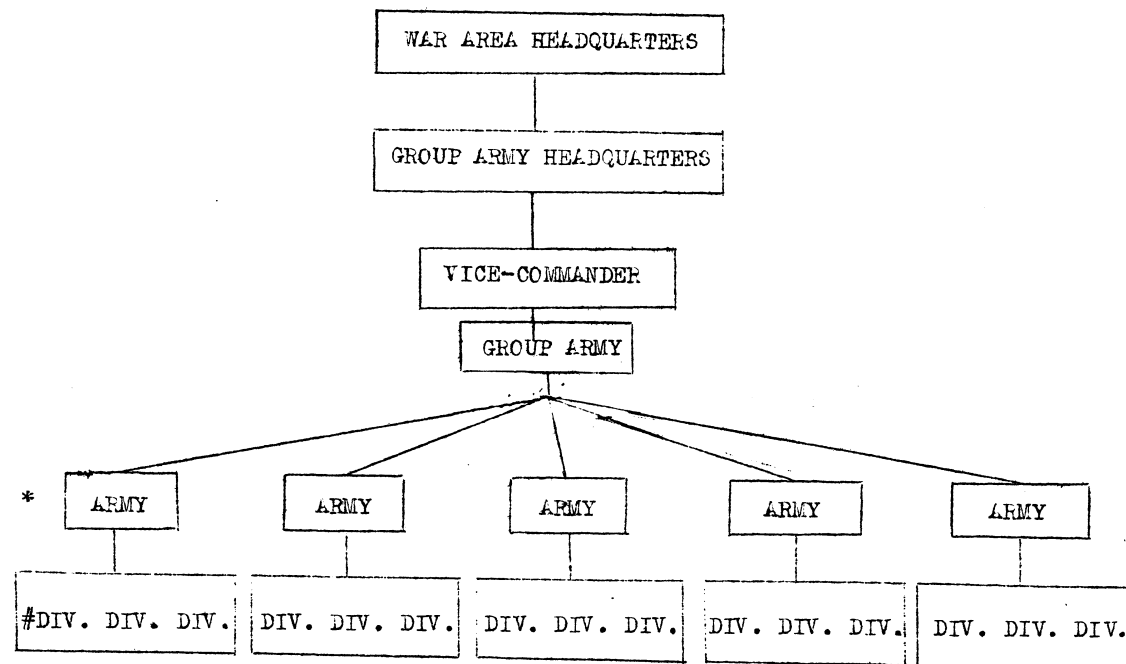
All war districts are now practically autonomous commands receiving orders from CHUNGKING only in the most critical situations. Each commander is responsible for his own district. China has a total of 220 Divisions. These divisions are about 11,000 men apiece. There are an indefinite number of troops in KANSU province. These troops have been held in reserve and are intended to keep Japan from isolating the Northwest. China's forces are about equally divided north and south of the Yangtze.

W.C. Hunt
 J. S. MONAHAN
 Major, U.S. Marine Corps,
 Regimental Intelligence Officer.

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



LATEST INFORMATION RECEIVED ON ORGANIZATION OF CHINESE FORCES



NOTE: *No definite number.
#Generally three.

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Department of State letter, August 10, 1972
By Milton D. Davis/Sec NARS, date 12-18-75

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

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

15 April, 1939.

RESTRICTED:

R-2 REPORT, PERIOD 0800 8 APRIL, TO 0800 15 APRIL, 1939:

MILITARY OPERATIONS:

The Yangtze Valley is witnessing what appears to be a change of tactics by the Chinese. On the KAOAN-WUNING front the Chinese have not only stood their ground, but from all reports other than Japanese, have recaptured KAOAN from three Japanese divisions. These three Japanese divisions (6th, 16th, 106th), which pushed the Chinese 19th Army back 65 kilometers in seven days and captured NANCHANG, were stopped last week at KAOAN when the 92nd and 98th Chinese Armies moved up from the vicinity of PINGKIANG. It is this combined Chinese force that is apparently handing the Japanese their first set-back of the war in positional warfare. ✓

On the WUNING front the Japanese have had even less success. On March 29th two Japanese divisions (3rd, 101st) commenced their attack on WUNING, with SIUSHUI as the next objective. Last week, although reinforced by the ninth division from TUNGCHENG, the Japanese made no progress. This week the so-called "Alpine Detachment" and the 13th division were added to the Japanese forces at WUNING. This is a total of five divisions, plus artillery. To date this force has been unable to advance beyond the city.

This first success that the Chinese have experienced at positional warfare, plus the success their forces have had back of the Japanese lines, has considerably brightened the Chinese chances for success in this area. ✓

AVIATION:

The Japanese are now faced with a new problem. The Chinese are reported to be using planes in the Yangtze Valley area for liaison and reconnaissance work with their guerrilla forces. One such plane was shot down, by Japanese aircraft at TUNGHAI, 260 kilometers northwest of SHANGHAI. Should the Chinese be successful in using planes for reconnaissance with their guerrilla forces, it is extremely doubtful if the Japanese will be able to consolidate their already over-extended garrisons in the occupied area. ✓

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

AVIATION CONT'D:

Japanese planes during the week have bombed and wrecked several points along the entire length of the CHEKIANG-KIANGSI railway. The Japanese claim that on these raids they completely demolished the YUSHAN airdrome in KIANGSI and the CHUSIEN airdrome in CHEKIANG. Planes based at these fields were auxiliaries of the 21st and 23rd Szechuenese Armies. Coastal towns in the NINGPO area, using the CHEKIANG-KIANGSI railway have been a prolific source of supply for important war materials.

GUERRILLAS:

During the past week guerrilla activities in the Yangtze Valley and POOTUNG have been intensified. Services on the SHANGHAI-HANGCHOW and NANKING-SHANGHAI railways were interrupted two days the first part of this week. In POOTUNG, guerrillas under Ting Shih-san attacked TANGCHIAO, capturing the town and killing 30 Japanese.

MISCELLANEOUS:

The Japanese Naval authorities in the HONGKEW, YANGTZEPOO and CHAPEI area decided to abolish the permit system with regards to the transportation of cargoes to and from these areas. This new order, which goes into effect April 15th, will still carry a special ban on arms, ammunition, and inflammable or explosive materials as well as iron and brick.

The prohibition on the removal of iron and brick is explained as necessary for the protection of property in the ruined area, and equipment in factories, of those Chinese who have not yet returned to the above mentioned areas. It has been continually rumored that Japanese, cooperating with local trucking companies, have made a very profitable racket out of the sale of iron and brick, for a fraction of their open market value, to builders in the International Settlement.

J. S. Monahan
 J. S. MONAHAN
 Major, U.S. Marine Corps,
 Regimental Intelligence Officer.

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

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

22 April, 1939.

RESTRICTED:

R-2 REPORT, PERIOD 0800 15 APRIL, TO 0800 22 APRIL, 1939:

MILITARY OPERATIONS:

The Yangtze Valley area remains, for the week, the quietest sector in Japanese occupied China. Early in the week Chinese troops counter-attacked the Japanese positions at HSIEHMANGLAN and at SHIHCHAKAI, both towns about 30 kilometers from NANCHANG. These counter-attacks were of little consequence. Neither the Japanese nor the Chinese have accomplished anything in this district since these counter-attacks.

Under cover of heavy fog, and an intense artillery barrage, the Japanese captured KULING in a 28 hour battle. The Japanese have had the mountain surrounded and for six months have been trying to scale the precipitous mountain sides. Major-General Yang of the KIANGSI Pacification Corps who was defending KULING managed to slip through the Japanese lines during the attack. The Chinese forces consisted of about 2,500 men armed only with rifles, hand-grenades and 20 machine-guns.

A major engagement took place at TSINGPU about 30 miles southwest of SHANGHAI. The entire LAKE TAI area is reported under guerrilla domination notwithstanding repeated Japanese efforts to "pacify" this area. ✓

The Japanese, unable to reach CHANGSHA either by the WUNING-SIUSHUI or the NANCHANG-KAOAN front, are reported transferring troops from these fronts to YOCHOW in preparation for an attempt on this front which is but 40 kilometers from CHANGSHA. At WUNING the main Japanese garrison has taken defensive positions to hold what they have while small units are fighting guerrillas and irregulars to the northwest of the city.

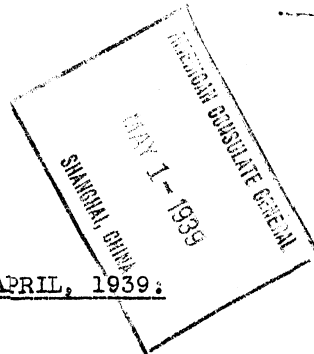
J. S. Monahan
 J. S. MONAHAN
 Major, U.S. Marine Corps,
 Regimental Intelligence Officer.

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

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

29 April, 1939.



RESTRICTED:

R-2 REPORT, PERIOD 0800 22 APRIL, TO 0800 29 APRIL, 1939:

MILITARY OPERATIONS:

In KIANGSI the Chinese have claimed unprecedented success in their operations against the Japanese on the NANCHANG-WUNING front. The Japanese admit the Chinese counter-attack but claim that it was on a wide front south of KAOAN and NANCHANG and along the southwestern banks of the JU and CHIN rivers. Farther west the Japanese report fighting in the FENGSI area. The Japanese claim to have repulsed the enemy here as at NANCHANG.

While the reports of the two forces are diametrically opposed, we have excellent information to the effect that the Japanese reports more nearly approximate the true situation, and also that the motive behind the Chinese claims of victory is a desire to become a member of the "peace bloc" being formed in Europe. The French Intelligence described as "Fantastic" the Chinese report of victory in the NANCHANG area, this being the most strongly Japanese garrisoned area in China. Perhaps the best estimate is that the Chinese are counter-attacking on all fronts to keep the Japanese so occupied with defense that they will be unable to re-organize for another drive during the present favorable weather.

The Japanese have been bombing the China coast just below the YANGTZE river all week. NINGPO was particularly hard hit on Tuesday when after a two hour bombardment a large part of the city was in flames.

MISCELLANEOUS:


The Japanese troops in the SHANGHAI area number about 15,000 men. Of this number 8,000 belong to an Infantry Brigade of two regiments, under Major General Sakurai. Details of the 1st Regiment are stationed at KIANGWAN, CHAPEI, CHENGJU and TAITSANG. The 2nd Regiment has details stationed in Western SHANGHAI, at NANTAO, TSINGPU, MINGHONG and POOTUNG.

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

MISCELLANEOUS CONT'D:

The Japanese Naval Landing Party commanded by Rear-Admiral Shishido consists of 10 battalions totaling some 7,000 men. The 2nd and 3rd Battalions are stationed at YANGTSZEPPOO, WOOSUNG and PAOSHAN. The 4th and 5th Battalions occupy TSUNGMING ISLAND and several localities on the north bank of the YANGTZE as far as NANTUNGCHOW.

One Battalion was transferred to KIANGSU at the end of February where it has been engaged in operations against the Chinese troops in this area.


J. S. MONAHAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

0645

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

FE

TELEGRAM RECEIVED

1-1336

FROM

Division of
FOR EASTERN AFFAIRS
JUN 15 1939
Department of State

EDA

This telegram must be
closely paraphrased
before being communi-
cated to anyone (BR)

FOOCHOW VIA N.R.

Dated June 15, 1939

Received 8 a.m.

Secretary of State

Washington

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

EL

June 15, 9 a.m.

773.94

Forts along lower Min River and several villages in
suburbs of Foochow were attacked yesterday intermittently
from 9 a.m. to 6 p.m. by six Japanese planes dropping
thirty-three bombs.

Sent to Peiping.

Repeated to Chungking, Shanghai.

FLETCHER

DDMHTM

FILED
JUN 15 1939

793.94/15094

F/FG

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

(CONFIDENTIAL)

PARAPHRASE

A telegram of June 13, 1939, from the American
Consulate at Foochow reads substantially as follows:

Intermittently from nine in the morning to six in
the afternoon on June 14 six Japanese airplanes attacked
several villages in the suburbs of Foochow and the forts
along the lower Min River. Thirty-three bombs were
dropped.

793.94/15094

89.C.
FE:Christenson:HES

KSC
FE

6-16

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

TELEGRAM RECEIVED

JR

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

FROM Tsinanfu via Tsingtao & N.R.

Dated June 11, 1939

Rec'd 8 a.m., 15th.

Secretary of State,
 Washington.

34, June 11, 7 p.m. (GRAY)

In continuation of my No. 33.

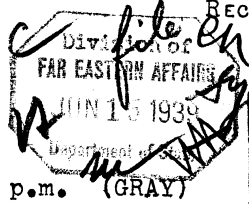
One. Japanese claim occupation of Ishui and Chuhsien on June 9 at 3 and 8:30 p.m., respectively. It is also claimed that some 40,000 Chinese troops have been surrounded and are endeavoring to retreat to the southwest. (END GRAY)

Two. While the claims are probably premature, it is believed that the successful conclusion of this campaign, which at present appears assured, will mark the end of important organized resistance in Shantung.

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

RR:WVC



COPIES IN PARAGRAPH SENT TO C.C.I. AND M.I.D. IN CONFIDENCE

793.94/15095

0652

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

CONFIDENTIAL

PARAPHRASE

A telegram (no. 34) of June 11, 1939, from the American Consulate at Tsinanfu reads substantially as follows:

The Japanese claim that Ishui and Chuhsien were occupied on June 9 at 3:00 and 8:30 p.m., respectively. It is claimed also that some 40,000 Chinese troops have been surrounded and are trying to retreat to the southwest. It is likely that these claims are premature. However, it is thought that important organized resistance in Shantung Province will be ended with the successful termination of this campaign which seems assured now.

793.94/15095

890
FE:EGC:HJM
6/16

FE

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

HRE

TELEGRAM RECEIVED

SWATOW VIA N. R.

1-1336

FROM Dated June 15, 1939

Rec'd 3:47 p.m.

Secretary of State

Washington

21, June 15, 5 p.m.



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

SJK

During late afternoon of June 13th single Japanese

naval plane dropped four bombs on northwest section of
 Swatow injuring one old woman and damaging one garlic
 godown and yesterday single plane dropped two bombs same
 place. No casualties or damage reported. Also two bombs
 dropped on Masu Island, no casualties.

Repeated Chungking, Peiping.

YOUNG

EMB:ROW

793.94/15096

F/FG

RECEIVED
 JUN 21 1939

0654

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

TELEGRAM RECEIVED

AC

¹⁻¹³³⁶
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (Br)

FROM Hankow via N.R.

Dated June 16, 1939

Rec'd 6:30 a.m.

Secretary of State

Washington

132, June 16, 10 a.m.

My 130, June 13, 2 p.m.

793.94
not
894.20

A Japanese army source yesterday stated that the
most serious problem now confronting the Japanese
army authorities here is that the troops are refusing
to fight.

Since my telegram under reference further reports
have been received of unruly units of several hundred
each being brought back to Hankow. It is stated that
some of these have been despatched to Nanking and
others to Kiukiang suggesting perhaps an intention
to split up the restive forces.

This office continues to view these reports
with reserve.

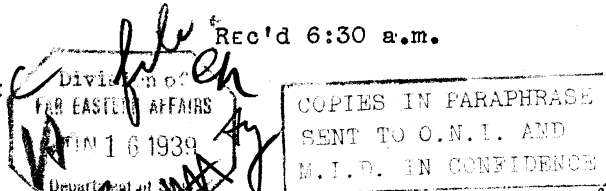
Repeated to Chungking, Peiping, Shanghai.

JARVIS

KLP:RR

793.94/15097

F/FG



0655

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

Confidential

CONFIDENTIAL

PARAPHRASE

A telegram (no. 132) of June 16, 1939, from the American Consulate General at Hankow reads substantially as follows:

The Consulate General continues to view with reserve reports in regard to discontent among Japanese troops. Further reports have been received in regard to refractory units of several hundred each being brought back to Hankow, some of which have been sent to Kiukiang and some to Nanking. This suggests perhaps that the Japanese intend to split up the refractory forces. The gravest problem with which the Japanese army authorities in Hankow are now confronted is that the soldiers are refusing to fight, according to a statement made on June 15 by a Japanese army source.

793.94/15097

793.94/15097

89C
 FE:EGG:HJN
 6/17

FE

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

TELEGRAM RECEIVED

AC

PLAIN

FROM Shanghai via N. R.

Dated June 16, 1939

Rec'd 6:30 a.m.

Secretary of State

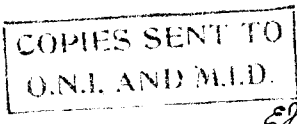
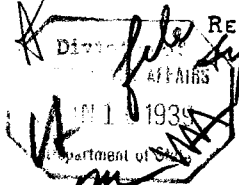
Washington

504, June 16, noon.

Local press reported yesterday issuance by Japanese military, naval and diplomatic authorities at Shanghai of following statement to local Japanese residents: "Japan's sacred campaign has now been underway for almost two years. The situation in Central China is assuming ever growing importance for, as we look back, all the cities and ports in China have fallen into the hands of the Japanese forces.

The Nationalist Government today finds itself continuing its meagre existence in the far interior of southwestern China by relying upon the assistance of powers that are extending it their support and by securing scant satisfaction in its empty slogan of long term resistance.

Although the aim of this campaign has not yet been accomplished the gains made by the Japanese forces have shown both home and abroad that there is nothing to halt them once they have set their determination



FILED
JUN 21

793.94/15098

F/FG

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

AC - 2 - #504, June 16, noon, from Shanghai

mination to attain an objective.

Complications have lately set in the questions involved the Kulangsu Settlement and the concessions in Tientsin. Their solution has not yet been attained but the world is paying close attention to the fair and just attitude being displayed by Japan in the matter.

In Shanghai there has been a gradual decrease in the activities of anti-Japanese elements and the anti-Japanese press seems to be less rampant. But much is yet left to be done in securing a fundamental solution of the questions involving the Settlement and the concessions.

Preparations are now being made by the Japanese authorities concerned to carry to realization the best possible measures in this connection.

We are well aware that local Japanese residents, confronted with the question of the Settlement and of the concessions every day, are feeling impatient but they should be cautious in action and in their speech showing their reliance upon the wisdom and the strength of the authorities, this to display a serenity worthy of the representatives of a great nation.

Under the present circumstances it is our earnest hope that Japanese residents will contribute towards
 the attainment

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

AC - 3 - #504, June 16, noon, from Shanghai

the attainment of the objective of the sacred campaign
by acting with self respect and endeavoring to effect
self reform."

Repeated to Chungking, Peiping. By air mail to
Tokyo.

GAUSS

DDM

0655

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

CROSS-REFERENCE FILE

NOTE

793.94

SUBJECT Japanese air raids of Chungking; Enshih; Chengtu.
Return of fleets of Japanese bombers to bases at or near
Wuhan: Three to six hours after most, if not all, of the
recent raids.

793.94/15099

For the original paper from which reference is taken

See Tel-; 10am
(Despatch, telegram, instruction, letter, etc.)

Dated June 14, 1939 From Hankow (Jarvis)
To

File No. 393.1164/259

FRG.

15099

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

DOCUMENT FILE

NOTE

SEE 611.939/142 FOR Tel.#197;9am

FROM Hong Kong (Southard) DATED June 15, 1939
TO NAME 1-1127 070

REGARDING:

Silk; Japanese troops in Yungki are compelling the filatures to produce silk; and are paying producers in Chinese national currency at the current rate of exchange for Japanese military notes. No silk reaching Hong Kong. Effect on American importers of silk waste.

las

793.94 / 15100

A-S
15100

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

FE

EDA

GRAY

HONG KONG VIA N.R.

Dated June 15, 1939

Received 7:05 p.m. 16th

Secretary of State

Washington

197, June 15, 9 a.m.

Local silk dealers report that the Japanese troops which have been in occupation of Yungki are compelling the filatures to produce 120/22 and 28/32 silk and are paying producers in Chinese national currency at the current rate of exchange for Japanese military notes. No silk has reached Hong Kong from Kwangtung for the past month. Hong Kong dealers have contracts for 2000 bales of 13/15 and 14/16 silk all of which goes to Lyons and which they believe it was the intention to fix upon.

Local dealers state that the Japanese have been shipping large quantities of 20/22 and 28/32 silk from Canton to Japan and thence to Bombay at prices of 480 Hong Kong dollars and 430 Hong Kong dollars per picul of 133 1/3 pounds respectively.

American importers of silk waste will be even more unfavorably affected as the Japanese according to local dealers

notes:
 893.6552
 793.94

611.939
 142

066
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

EDA - 2 - #197, June 15, 9 a.m. from Hong Kong

dealers have never interested themselves in the silk waste trade. Hong Kong exporters have contracts for 2000 bales of silk waste which probably cannot be fulfilled under existing conditions.

By mail to Bombay, Canton, Chungking, Peiping.

SOUTHARD

EMB:NPL

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 28, 1939.

Chungking's despatch no. 222 of May 30 discusses in some detail recent military operations to the northwest of Hankow and concludes that the Japanese campaign in that region, which probably cost them 8,000 to 12,000 casualties, failed to achieve its objects (occupation of Hsiangyang and ranch'eng and expulsion of the principal Chinese armies to the west of the Han river). It is believed in Chungking that the Japanese endeavored to carry out a "double envelopment" of Chinese forces in the Tsaoyang area, an operation which failed because of the small number of Japanese forces employed, the tenacious resistance of the Chinese, (especially Kwangsi divisions and troops under Tang En-po), and a skillful flank attack launched from Nanyang.

Interesting observations of L.C. Smith, Reuter's correspondent, embodied in a memorandum enclosed with the despatch under reference include the following. Smith was struck by the durable character of Chinese defenses at various points along the Han river which would probably be a difficult stream for the Japanese to cross. The set-up of Li Tsung-jen's headquarters was impressive but the disparity in artillery strength was about 15 to 1 in favor of the Japanese. Main Chinese forces are retained in dugouts to the rear of the front lines where they can be used for counter-attacks, night raids, etc. Civilian morale appeared good in spite of general dislocation of all

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

economic activity except farming, which appeared to be carried on as usual even up to the front lines. Every hamlet through which Smith passed between Ichang and Suihsien bore marks of indiscriminate Japanese bombing with appalling property destruction, including the bulk of foreign mission property. Kingmen, Hupeh, with 90% of its structures reduced to rubble, was the worst bombed city he saw. Mr. Smith believed that the Japanese could occupy north and west Hupeh but that it would cost them heavily in manpower and equipment.

FE:Penfield

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

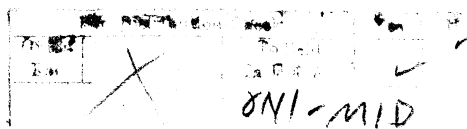
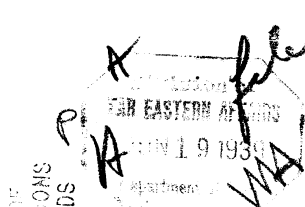


EMBASSY OF THE
 UNITED STATES OF AMERICA

Chungking, May 30, 1939.

No. 222.

Subject: Military Operations in Northwest Hupeh.



COPIES SENT TO
 G.N.I. AND M.I.D.
 EY

793.94 / 15101

The Honorable
 The Secretary of State,
 Washington.

Sir:

I have the honor to report that commencing on or about May 2 the Japanese military forces operating in the area to the northwest of Hankow launched simultaneous attacks from three points in the direction of the strategic cities of Siangyang (襄陽) and Fanch'eng (樊城) on the Han river in the northwest portion of the province of Hupeh. These attacks followed a period of stalemate which had extended from shortly after the capture of Hankow in October 1938, except for a minor Japanese campaign in the area

almost

F/A

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

- 2 -

almost due west of Hankow in the early months of 1939 which resulted in the Japanese occupation of Chunghsiang (鍾祥), Lohanssu (羅漢寺) and Yuehkou (岳口), all on the east bank of the Han river and the expulsion of the main body of Hupeh troops south and east of Chunghsiang to the west bank of the Han river.

According to Chinese sources, Japanese forces engaging in the May drive consisted of four divisions, but it is believed that the actual number of Japanese troops participating did not exceed 40,000. One column consisting largely of cavalry drove north from Chunghsiang and succeeded after desultory fighting in scattering the forces of General Chang Tze-chung (張自忠) some of which retired to the west bank of the Han, while others apparently moved eastward into the Ta Hung Hills (大洪山). A second Japanese column launched a heavy attack on the Kwangsi troops entrenched in the neighborhood of Suhsien (隨縣) and after about five days of bitter struggle succeeded in dislodging the defenders who retired to new positions in the hills to the north and west of Tsaoyang (棗陽). Meanwhile, a third Japanese unit moved west along the highway from Sinyang to Tungpeh (桐柏) which it appears to have reduced without much difficulty and from which it marched south and west to attack General Tang En-po and his troops who took up strong positions in the hills north of Tsaoyang.

The Japanese column moving north from Chunghsiang seems to have met with slight resistance and to have proceeded rapidly northward to the neighborhood of Sinyeh (新野) and Tangho (唐河), in Honan, which fell into Japanese hands on or about May 12. This column passed to the east of Fanch'eng and made no move westward in the
direction

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

- 3 -

direction of that city or Siangyang. It is understood, however, that an attempt was made to cross the Han river in the vicinity of Ich'eng (宜城) and that the Japanese succeeded in landing a small detachment on the west bank of the river which was annihilated by a Chinese force which came upon the scene. The loss of Ich'eng would have constituted a serious blow to the Chinese as it would have meant the severance of the route of highway communications to Ichang and would have menaced the rear of Siangyang, headquarters of General Li Tsung-jen, commander of the fifth war area.

The Chinese are reported to have despatched reinforcements under General Sun Lien-chung (孫連仲) from Nanyang (南陽) and by the execution of flank attacks to have retaken Tangho, Hsinyeh and Tungpeh on or about May 14 or 15, routing the Japanese forces and inflicting heavy casualties. Meanwhile the forces attacking from Suihsien and Hsinyang appear to have met with strong opposition from the forces of Li Tsung-jen and Tang En-po in the hills north and west of Tsaoyang and to have suffered heavy losses. Meanwhile, the Chinese forces operating in the area south of Chunghsiang suddenly became active and, according to Chinese reports, have recaptured Yuehkou and Lohanssu and have reached the vicinity of Tsaoshih (皂市). These are said to be Hupeh troops commanded by Hsiao Chih-chu (蕭之楚).

Recent Chinese reports feature the recapture of Tsaoyang and Suihsien and the retirement of the main body of the Japanese forces to the vicinity of the Peiping-Hankow railway. If these reports are correct, and they are generally accepted here in Chungking, it would appear that the Japanese campaign has not been attended with

success;

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

- 4 -


success; the operations appear, on the contrary, to have involved heavy losses in man power and to have failed to bring about occupation of Hsiangyang and Fanch'eng and the expulsion of the principal Chinese armies to the west of the Han river. The consensus of opinion in Chungking is that the Japanese endeavored to carry out a "double envelopment" of the Chinese forces in the Tsao-yang area and that this operation failed in consequence of (1) the small number of the Japanese forces concerned in the campaign, (2) the tenacious resistance of the Chinese forces, especially of the Kwangsi divisions and the troops under General Tang En-po, and (3) the skillful flank attack launched from Nanyang.

Chinese reports suggest that the Japanese have suffered upwards of 30,000 casualties in the operations described above, but these figures are obviously greatly exaggerated. Probably a more accurate number would be struck somewhere between 8,000 and 12,000 Japanese casualties.

1/ In this general connection there is enclosed a memorandum relating to the observations of Mr. L. C. Smith, Reuter's correspondent, who recently returned to Chungking from an inspection of the Siangyang-Suihsien area.

Respectfully yours,

For the Ambassador:


 Willys R. Peck,
 Counselor of Embassy.

Enclosure:

1. Memorandum.

Original (by air mail) and four copies to Department.
 Copy to Peiping.
 Copy to Tokyo.

EFD:MCL

0 6 6 5

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

Enclosure No. 1
Depsatch No. 222
Dated May 30, 1939

May 22, 1939.

MEMORANDUM

Subject: Conditions in North and West Hupeh.

The following are the salient points of the observations of Mr. Leslie C. Smith, Chungking correspondent for Reuter's, as related to the undersigned, in connection with his recent tour of almost a month's duration to Ichang, Siangyang and Suhsien, in Hupeh Province (Mr. Smith is a reliable observer of considerable experience):

Mr. Smith, who traveled by highway from Ichang to Siangyang (the only route by which supplies now reach the upper Han valley), examined Chinese defense positions at various points along the Han river, notably at a point opposite Chunghsiang, and was much struck by their durable character. He was told that such fortifications extended all along the west bank of the Han river which he observed to be at least a half-milewide in the Chunghsiang-Siangyang area and filled with sandbars. He gained the impression that the Han would be a difficult stream to cross and that the Chinese are prepared strongly to resist Japanese attempt to do so. In this connection he was informed that in recent Japanese operations north of Chunghsiang a detachment of some 300 Japanese had forded the river in the vicinity of Ichang but were annihilated by a Chinese unit which was rushed to the scene. Mr. Smith said he had ascertained that Hupeh troops under General Hsiao Chih-chu garrisoned the river area south of Chunghsiang, northern troops under General Chang Tze-chung the area north of Chunghsiang, and

Kwangsi

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

- 2 -

Kwangsi troops the area around Siangyang and Suhsien.

Mr. Smith said he was accorded several interviews by General Li Tsung-jen, Commander of the fifth war area, at Siangyang. General Li had been open and courteous to him, and he was more impressed with the set-up of Li's headquarters than any he had yet visited. He said that Li appeared to be optimistic concerning the future course of hostilities, but made no effort to conceal the fact that disparity in equipment and artillery (Smith was told that the ratio as regards artillery was about 15 to 1 in favor of the Japanese) was so great that the Chinese had found from experience that it was too costly to endeavor to resist Japanese positional attacks indefinitely. The Chinese had to be guided by this factor and their strategy was accordingly based on a policy of withdrawal in the face of concerted attack after inflicting as heavy losses as possible from secure defense positions. For example, the Chinese no longer maintained their main forces in the front lines where they were exposed to artillery fire but retained them in dug-outs somewhat to the rear from which they could be utilized to repulse attacks, conduct counter-attacks, or engage in night raids - a form of attack which has acquired increasing currency in recent Chinese strategy. In this relation General Li frankly told Mr. Smith the Chinese could not hope to hold Siangyang in the face of a concerted Japanese offensive and that his strategy would be to withdraw to more advantageous terrain west and north of Siangyang after extracting as heavy a price as possible from the invaders commensurate with operations involving a minimum of danger and losses to his armies. He informed Mr. Smith there were eight Kwangsi divisions in the Siangyang area, all under his command, and that he likewise directed the activities of an unspecified

number

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

- 3 -

number of divisions under the command of Generals Chang Tze-chung, Tang En-po and Sun Lien-chung.

General Li had offered Mr. Smith facilities to visit the front lines at Suihsien and he accordingly did so. By coincidence he was at Suihsien when the Japanese opened their offensive in that sector on May 3. Mr. Smith praised the coolness and bravery of the Kwangsi troops under fire and the business-like methods with which they went about defending their positions. He said that during the two days he was at the front all Japanese infantry attacks were repelled with heavy losses. He was struck by the seeming abundance of Japanese artillery and the almost total absence thereof on the Chinese side.

Mr. Smith voiced praise for the discipline and conduct of the Chinese troops he had encountered in the various areas he visited. They also seemed well equipped, apart from artillery. He likewise commented in favorable terms in regard to the morale of the civil population which he said appeared to remain good in spite of continuous aerial attacks and general dislocation of trade and industry. Farming was the least affected of all economic activity; it continued as usual, even up to the front lines.

Mr. Smith also made some interesting comments in regard to Japanese aerial activity: Iohang, he said, had been bombed so many times that it is now in a badly damaged state and the majority of the populace has removed, lending to it a semi-dead appearance. He remarked that every hamlet, village and city he had passed between Iohang and Suihsien bore the marks of indiscriminate Japanese bombing and appalling property destruction, including the great bulk of foreign mission property. He spoke especially of the plight of Kingmen, Hupeh, which he described as the "worst

bombed

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

- 4 -

bombed city" he had come across during the course of hostilities. This once thriving city of 40,000 lay absolutely devastated, with 90 percent of its structures reduced to rubble and the populace scattered to the country; now only few hundred people had thrown up matsheds and were dwelling in the outskirts of this once prosperous agricultural center. He noted that the frequency of Japanese air raids upon settled areas had brought about vast changes in the routine of the inhabitants: they no longer stayed in the cities and villages in the daytime but scattered to the country, returning at nightfall to open their shops and markets and in general to carry on the activities concerned with the gaining of a livelihood.

Mr. Smith summed up his observations with the comment that he was very favorably impressed with the Chinese military dispositions in north and west Hupeh, save for an absence of artillery, and expressed the opinion that while the Japanese could doubtless occupy the area if they desired to make the necessary effort they would nevertheless have to pay heavily for it in manpower and equipment.

E. F. Drumright.

ETD:MCL

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Situation in the Far East: Sino-Japanese conflict.
 Review of developments of past week.

793.94/15102

For the original paper from which reference is taken

See Memorandum
(Despatch, telegram, instruction, letter, etc.)
 State Department
 Far Eastern Division

Dated June 8, 1939 From
 To

File No. 890.00/147

15102

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

DOCUMENT FILE

NOTE

SEE 740.00/1744 FOR Tel. #1156, 2 p.m.

FROM France (Wilson) DATED June 17, 1939
 TO NAME 1-1127 ***

REGARDING: French Consul General at Tientsin reports no
 change in the situation; French nationals and
 interests are not being molested although they of
 course suffer considerable inconvenience;
 food situation not acute.

b

733.94/15103

15103

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

DOCUMENT FILE

NOTE

SEE 740.00/1748 FOR Tel. #125, 1 p.m.

FROM Poland (Biddle) DATED June 17, 1939
 TO NAME 1-1127 ufo

REGARDING: Increasing seriousness of Tientsin situation which
 informants interpret as activity to divide Britain's
 attention and to warn London and Moscow against
 conclusion of Anglo-Russian pact.

mb

793.94 / 15104

793.94
 15104

0678

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

5 copies for Department of State

No. 408

AMERICAN CONSULATE

Tsingtao, China, May 13, 1939.

Subject: Tremendous Increase in Japanese
Troops in Tsingtao.

793.94

RECEIVED
DEPARTMENT OF STATE

18
1939 JUN 20 PM

Willys R. Peck, Esquire,
Charge d'Affaires ad interim,
American Embassy,
Peiping, China.

ONT-MID

JUN 26 1939

Pol - 9B

Sir:

I have the honor to report that within the past week there has been a tremendous influx into Tsingtao of Japanese troops fully equipped, who have arrived on a large number of transports. This consulate in its monthly political report for April, 1939, mentioned that in April only a handful of Japanese troops were in Tsingtao. While it would be easy to exaggerate the number of troops now arriving in comparison with the small number here last month, it can be stated that from appearances the number of men and horses now here is probably the largest which this office has observed in the past year.

It is not believed that these men have arrived from any other part of China but are soldiers freshly landed from Japan who have never seen service in this country. The troops are well clothed, hardy looking and grim.

It is not unlikely that these men are intended for a campaign in which the Japanese are now engaged

west

793.94/15105

F/FG

15105

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

- 2 -

west of the Peiping-Hankow Railway. There has been no change in the situation in this part of Shantung as far as this consulate is aware, to require such a large Japanese force. The landing of such a large number of men in Tsingtao at this time has added significance in view of a newspaper report which has just been received to the effect that a Japanese naval spokesman in Tokyo for the first time officially discussed the number of Japanese troops now engaged in the present conflict. The report states that the spokesman admitted the presence of one million Japanese "now engaged in large operations in Central China intended to speed the collapse of the Chinese Government".

Since writing the above, the consulate has observed that the men are being put through a stiff drilling and training course such as was given the large number of Japanese soldiers who were in Tsingtao in August and September of last year and who were reported to be the troops which engaged in the Canton campaign. The presence now in Tsingtao of another large force whose activities are similar to those of the troops here last autumn is not in the opinion of this consulate a happy augury for China, whether the Japanese troops are used in West China or in regions nearer to Tsingtao against guerrillas.

Respectfully yours,

800/823
 SS/AD

Samuel Sokobin,
 American Consul.

Original to Embassy, Peiping,
 Copies to Embassies, Chungking, Tokyo,
 Five copies to Department,
 Copy to Tsinan.

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

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

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS
June 22, 1939

Tsingtao's despatch no. 409 of May 15 encloses the text of a statement by the head of the Tsingtao office of the Asia Affairs Board, the substance of which was previously reported by the Consulate. As the Consulate points out, the statement is entirely stereotyped; and it need not be read. However, the Consulate feels that one feature deserves attention -- namely, that the statement, like other recent statements by Japanese officials, gives no indication that the Japanese are war-weary or in any way wavering from their grim determination to continue the hostilities to the bitter end.

793.94/15106

Mc
FE:Chase:HJN

0678

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 22, 1939

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793.94/15106

See
FE: Chase: HJN

0679

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

Five copies to Department

No. 409

AMERICAN CONSULATE
Tsingtao, China, May 15, 1939.

Subject: Asia Affairs Board Policy in Tsingtao.

Willys R. Peck, Esquire,

Charge d'Affaires ad interim,

American Embassy,
Peiping, China.

RECEIVED
DEPARTMENT OF STATE

1939 JUN 20 PM 3 19

DIVISION OF
COMMUNICATION
AND RECORDS

Sir

I have the honor to refer to this consulate's telegram no. 10 of May 12, 1939, 11 A.M., giving a brief resume of a statement made by the head of the Tsingtao office of the Asia Affairs Board. There is now enclosed a newspaper copy of the complete statement.

On the whole the statement is so stereotyped in its phraseology that the consulate transmits it with diffidence. The repeated statements of Japanese officials along the line of that made by Captain Shibata, the head of the Tsingtao office of the Asia Affairs Board, are considered by many foreigners to be wearisome. The Embassy and the Department are sufficiently familiar with Japanese statements which attribute the strength of Chinese resistance (the success thereof is implied, but is never directly referred to) to the support or encouragement given "the Chiang Regime" by a number of Third Powers; with the reference to a determination of the Japanese Government to establish "a new order" and to secure "a lasting peace"; with the

793.94/15106

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15/106

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

- 2 -

the reference of "a holy ideal" in Japanese policy towards China; with the reference to the respect of rights of Third Powers, and to "certain unavoidable restrictions"; and with the statement that "if the powers ... will formulate the policies adapted to these new conditions Japan will be glad to cooperate with them". The Department and the Embassy are also familiar with the Japanese statements as to what the establishment of "the new order" will accomplish, viz. the development of "righteous and clear policies over China based on high morality and real understanding"; the exploitation of the natural resources of China and the establishment of new industries "in such a way as to bring about the welfare of the people and release China from its fetters of quasi-colonial conditions in its economic life"; the revival of a Chinese national culture characteristic of the Oriental type with its implication that an Occidental culture and Occidental influence are inherently objectionable, and the achievement of common prosperity which will serve the well-being of the East and contribute to the civilization of the world.

Such statements are familiar to newspaper readers in the Far East. It would serve little purpose at this stage for this consulate further to examine such statements and to add its comment to that of writers on the Far East. But there is one aspect of such statements which it does not appear to this consulate has either attracted the attention which it deserves or

has

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

- 3 -

has been given sufficient treatment in the press. The consulate has not detected in the present statement or in similar statements of Japanese officials anything but a grim determination to pursue its aims to the bitter end; there has not appeared anything in such statements which indicates a weariness on the part of the Japanese, or a wavering in the course which they have set. It cannot be denied that the Japanese have suffered disappointments particularly in respect to the duration of the hostilities, but such statements as that of Captain Shibata show not the slightest evidence but that, leaving all external factors aside, the Japanese are determined to impose a pax Japonica with all of its implications over this part of the world. The will to fight of General Chiang Kai-shek has aroused widespread admiration, but in Tsingtao this consulate has been equally impressed by the absence of any sign of hesitancy on the part of the Japanese to similarly fight it out, whether it takes all of this summer, or next summer, or many summers. Already foreigners who to the knowledge of this office were a year ago of the belief that the Japanese could not long "stand the strain" particularly as they penetrated the interior of China, are now, in their discussions of the hostilities, referring to a Chinese campaign of attrition covering a period of "five to ten years" which will result in the withdrawal of Japan from this country. Those observers do not imply, however, that the Japanese no longer have the will to fight, but express the opinion that Japan will wear itself

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

- 4 -

itself out. That such may be the case is a possibility, but it is this consulate's observation that there is a relentless determination among Japanese, and not alone among the military, to continue the hostilities to the remotest parts of this country if that is necessary for the termination thereof.

Respectfully yours,

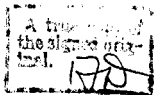
Samuel Sokobin,
American Consul.

Enclosure:

1. From Shantung Daily News, May 12, 1939.

800
SS/AD

Original to Embassy, Peiping,
Copy to Embassy, Chungking,
Copy to Embassy, Tokyo,
Five copies to Department,
Copy to Tsinan-Chefoo.



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

SOURCE: SHANTUNG DAILY NEWS, Tsingtao, China.
 Friday May 12, 1939.

Functions of China Affairs Board

OUTLINED BY CHIEF, CAPTAIN SHIBATA

To Carry Out Systematic Construction Activities
 of "New Order"

TSINGTAO, Thursday—Today at noon Captain Y. Shibata, Chief of the China Affairs Board (Koh-A In) explained the functions of the Board and its relationships to the other Japanese official bodies active in town. Captain Shibata's statement is given below:

It is now nearly two years since the Imperial Japanese forces started their operations in China, resulting in the great victory on the front over land, air and sea, and the Nationalist Government is no longer anything but a nominal local "Chiang Regime" holding no actual power of control over China.

It is a well known fact that the Chiang Regime's attitude to preserve their precarious existence adhering vainly to the Anti-Japanese hostilities at the sacrifice of millions of lives and property, despite their having suffered crushing defeat, is attributable to a large extent to the direct or indirect support and encouragement toward the Regime given by a number of third powers and a coalition with the communist influence.

It is, however, the firmly established national policy of my Government to have a "new order" built up in China, and to secure an ever lasting peace in the East, no matter whatever sacrifice of lives and expenditure, following the present hostilities, and to initiate an actual campaign to achieve this and parallel with the military operations which will necessarily continue as long as the Chiang Regime does not end her Anti-Japanism once and for all. We are convinced that this is the only method to release the millions of people in China from the distress caused by the political and economic chaos prevailed therein for centuries past, and also it is my firm belief that this is a sole and exclusive measure to bring about the peace in the East which is essentially necessary to an enhancement of world pacification.

China Affairs Board Formed

In the meantime, an accomplishment of this ideal should rely upon the constructive operations being effected in various sections such as state politics, national economy, and culture, the importance of which being not less than that of military campaigns particularly in the light of the far-reaching ideal of the task.

The Japanese Government having well realized the necessity of unitarization of its continental policy and attaching great importance to the systematic construction activities on the basis of the fundamental principle of the "new order", have decided to institute a new Ministerial Department of the "Koh-a In" (China Affairs Board) and also in

order to enable this Government organ to carry out its important task as efficiently as possible have established branches in several important places in China including Tsingtao where I have been appointed as Chief as from the 11th March last under the instructions of my Government. Whilst it seems unnecessary to go into detail as to my ideas in relation to the continental policy, I may give an outline briefly: (a) Establishment of the "new order" on the basis of Sino-Japanese friendship, development of righteous and clear politics over China, based on high morality and real understanding; exploitation of the natural resources of China, and establishing new industries in such a way as to bring about the welfare of the people and release China from its fetters of quasi-colonial conditions in its economic life, and (b) in regard to the national culture; the investigation and revival of profound metaphysical national culture in China characteristic of the Oriental type amidst remote Chinese civilization in centuries back, and development of modern science in application to national welfare, and thus to bring about the common prosperity through an enhancement of national culture to serve the well-being of the East and contribute to the civilization of the world.

Holy Ideal of Japanese Policy Towards New China

It is not the Government policy alone, but also my sincere sentiment, as well as that of the people of Japan, to extend our hand of friendship and full support to all those far-sighted Chinese whoever including Statesmen, Scholars, and critics who understand the holy ideal of our national policy towards New China, and go straight ahead on to the realization of the solemn aim arm in arm with the millions of peace loving people in the East.

I feel it my humble and honourable duty to devote myself to the task, and am hoping earnestly to bring the work to a successful issue with the cooperation of the people and the authorities concerned, and believe that the accomplishment of this purpose will serve well the world peace and humanity.

Respect of Rights of Third Parties

As is referred to hereabove Japan would never cease her military campaign as long as Chiang Regime ad-

heres to Anti-Japanism. On the other hand, however, it is the policy of Japan to maintain a just and equitable attitude by respecting, as far as circumstances permit, the rights and interests of third powers in China, as was the case last month, when the Great Harbour of Tsingtao was opened to the commercial shipping of all nationalities despite its difficulties with certain unavoidable restrictions. Needless to say we have no desire to interfere with the economic activities of the third power nations unreasonably. No one, however, can deny the fact that the new state both politically and economically has now come into existence as a result of the present China incident, and also that it should adopt certain measures suited to such new conditions, including particularly certain unavoidable restrictions in spheres having a vital bearing upon the scheme which must of necessity, for the maintenance of the national defence and economic independence. If the powers, therefore, understanding Japan's true motives, will formulate the policies adapted to these new conditions Japan will be glad to co-

operate with them. It is a matter of great regret that, despite this fair attitude on the part of Japan, there are still some countries adhering to the "pro-Chiang Regime policy", which has decidedly no chance whatever against overwhelming victory and progressive constructive works and is of thereby no use but to prolong the hopeless hostilities so seriously detrimental to the welfare of the people of China; while, however sincerely appreciate an extreme friendship towards Japan showed by a number of powers, in several ways, such as the refusal of military supplies for China, withdrawal of Military advisers from Nationalist Government etc.

We feel profound gratitude for their national sentiment and the great encouragement implied in the manner they have adopted in favouring us, particularly in view of the present greatest national undertaking which we have ever embarked upon. It is only through just and unprejudiced sympathy that the nations can ever hope to understand one another and it is only by good understanding that a bridge of lasting peace can be built across international barriers.

Japan Seeks Peace and Order in East

In the meantime, what Japan seeks is peace and order in the East which quite naturally contribute to an advancement of the civilization of the world. We, therefore, hope that the people in China of all nationalities will understand the true motive of Japan, and maintain their friendly attitude toward us all, including the peace-loving people of China who are now assiduously engaged in the holy work of restoration of New Asia.

I may add in this connection that

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

though we have to carry on the matters in relation to the China incident, the diplomatic negotiations with other countries do not come within my jurisdiction, there being no change as to a Consular procedure. As there can be a good deal of close relations between the matters under my control and certain military operations in certain localities of the district, and the protection of the lives and interests of Japanese residents, respectively falls within the jurisdictions of Military and Consular authorities, I shall ever be keeping in the closest contact with those authorities in the execution of my duties. It is further desired that the people irrespective of nationality or those interested or otherwise, will fully appreciate the above mentioned circumstances particularly Japan's firmly determined policy and its true motive and maintain a fair and sincere attitude towards us.

Period covered: 1960-1961

Order: 100-100000

Alphabetical

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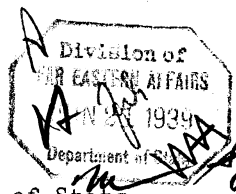
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

JR

1-1330

FROM PLAIN



Swatow via N. R.

Dated June 21, 1939

Rec'd 12:40 a.m.

Secretary of State,
Washington.

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

793.94

23, June 21, noon.

892

Japanese troops have effected landings on Ching
Hai coast and in Haimen Bay. Mine control stations at
harbor entrance captured and six destroyers and several
trawlers are within harbor, three destroyers in upper
harbor above JARDINE and BUTTERFIELD pontoons, one
opposite APC and two in lower harbor. Various parts of
city being shelled from vessels and bombed by planes
which have been flying over city since early morning.
All Americans safe.

YOUNG

DDM

JUN 23 1939
RECEIVED

793.94/15107

F/FG

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

JR

TELEGRAM RECEIVED
 PLAIN

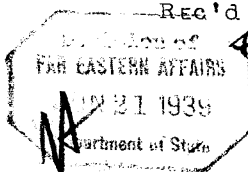


Shanghai via N. R.

FROM
 Dated June 21, 1939

5528

Secretary of State,
 Washington.



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

519, June 21, 4 p.m.

Japanese Consul General has today communicated to senior consul for information of consular representatives a notification also dated today from Commander in Chief of the China Seas Fleet reading as follows:

"The Japanese naval authorities have decided to start operations on JUNE twenty-first nineteen thirty-nine at Swatow, Kwangtung, and its vicinity. It is requested, therefore, that appropriate measures be taken so that all the nationals and vessels of third powers at or near Swatow may evacuate to places sufficiently distant to keep off the areas of operations and that vessels of third powers may not approach to that port." Letter from Japanese Consul General continues as follows: "Furthermore the Imperial Japanese naval authorities wish to draw the attention of third power authorities to the communications the Japanese Minister for Foreign Affairs addressed to the representatives of third powers at Tokyo under date of June thirtieth, October twelfth and November seventh, nineteen thirty-eight."

u

Repeated

793.94/15108

F/FG

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

15629

-2- #519, June 21, 4 p.m., from Shanghai.

Repeated to Chungking, Peiping, Swatow and Hong Kong.
By air mail to Tokyo. Hong Kong please inform United
States naval authorities.

GAUSS

DDM

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

COPIES IN PARAPHRASE
 SENT TO O.N.I. AND
 M.I.D. IN CONFIDENCE

FS

This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (BR)

TELEGRAM RECEIVED

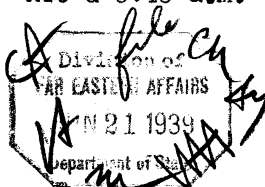
Hong Kong via N. R.

Dated June 21, 1939

FROM Rec'd 5:45 a.m.

Secretary of State,
 Washington.

211, June 21, noon.



Referring to my telegram No. 210, June 21, 11 a.m.,
 latest confidential official information in Hong Kong
 indicates two Japanese landings this morning at Swatow
 consisted of 500 men and 300 men respectively.

DDM:WWC

SOUTHARD

793.94/15109

F/FG

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

CONFIDENTIAL

PARAPHRASE

A telegram (no. 211) of June 21, 1939, from the American Consul General at Hong Kong reads substantially as follows:

Two Japanese landings consisting of 500 men and 300 men respectively were made at Swatow on the morning of June 21, according to the latest confidential official information available in Hong Kong.

896.
 FE:EGC:HJM
 6/21/39

FE

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

TELEGRAM RECEIVED

FS

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

FROM Hankow via N. R.

Dated June 20, 1939

Rec'd 7:44 p.m.

Secretary of State,
 Washington.

139, June 20, 5 p.m.

My 132, June 16, 10 a.m.

A Japanese source stated recently that unforeseen developments have necessitated the massing of Japanese troops in this area.

The consensus of opinion among foreign observers is that the troop movements from the war zones into Wuhan and environs have been incidental to:

One. Shipping down the river units whose morale has seriously deteriorated.

Two. Replacement of part of the Hankow garrison with two of Lieutenant General Okamura's own crack regiments, and,

Three. Preparations for a rumored July offensive against Shasi and Ichang designed to regain face and morale.

Repeated to Chungking, Peiping, Shanghai.

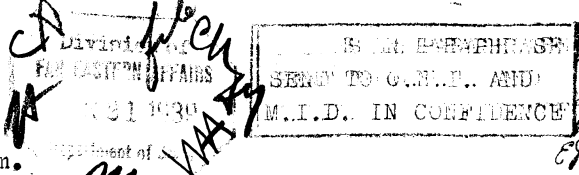
WWC:DDM

JARVIS

F/FG

793.94/15110

193.94



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

CONFIDENTIAL

ConfidentialPARAPHRASE

A telegram (no. 139) of June 20, 1939, from the American Consulate General at Hankow reads substantially as follows:

Unforeseen developments have made it necessary to concentrate Japanese troops in the Hankow area, according to a statement made a short time ago by a Japanese. Movements of troops into Wuhan and vicinity from the war zones are generally believed by foreign observers to have been incidental to (a) preparations for a rumored offensive against Ichang and Shasi in July intended to recover morale and "face", (b) replacement with two of Lieutenant General Okamura's own superior regiments of a part of the garrison at Hankow, and (c) sending down the river of units whose morale has been greatly lowered.

793.94/15110

892
FE:EGG:HJN
6/22

AK
FE

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

Handwritten mark

TELEGRAM RECEIVED

1-1338

FROM

FS

*Division of
FAR EASTERN AFFAIRS
JUN 21 1939
Department of State*

GRAY

Hong Kong via N. R.

Dated June 21, 1939

Rec'd 2 a.m.

Secretary of State,
Washington.

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

210, June 21, 11 a.m.

793.94

British eyewitnesses here confirm major Japanese landings at Swatow early this morning. It is understood here that two landings were made of which one to the north and the other to the south. Understood that Chinese resistance has been unimportant so far. No other important details can so far be confirmed here.

793.94/15111

DDM

SOUTHARD

*RECEIVED
JUN 23 1939*

F/FG

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

TELEGRAM RECEIVED

1-1386

FROM

PLAIN

Swatow via N. R.

Dated June 21, 1939

Rec'd 10 a.m.

FS
 DIVISION OF FOREIGN
 SERVICE ADMINISTRATION

JUN 21 1939

DEPARTMENT OF STATE

Division of
 EASTERN AFFAIRS

JUN 21 1939

Secretary of State,
 Washington.

COPIES SENT TO
 ONI AND NIO

24, June 21, 6 p.m.

Japanese forces have not (repeat not) occupied
Swatow but eight naval vessels remain in harbor,
 bombing and shelling continued throughout afternoon.
 All Americans safe. Department please inform American
 Baptist Foreign Mission Society, New York, all safe.
 Repeated Chungking, Peiping.

HPD

YOUNG

793.94/15112

F/FG

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

JEKOME D. GREENE
 UNIVERSITY HALL
 CAMBRIDGE, MASSACHUSETTS

June 20 1939

June 20, 1939

RECEIVED STATE

1939 JUN 21 PM 2 00

DIVISION OF
 COMMUNICATIONS
 AND RECORDS

Dear Mr. Secretary,

793-94

I hesitate to add to the burden of your correspondence,
 and this letter certainly needs no acknowledgment.

As an American citizen born in Japan, and having a warm affection for the Japanese people, I should like to be counted among the true friends of Japan who enthusiastically support you in going as far as you find expedient in maintaining an attitude of firm opposition to acts of the present Japanese government, both in encroaching upon American rights and interests, and in violating agreements to which that government is a party affecting the integrity of the Chinese republic.

I firmly believe that a majority of the Japanese people are disposed to support a truly liberal and friendly policy toward foreign nations, including China, if they had a leadership of their own choice. Deprived of that leadership, and seeing no way of supplanting it, the Japanese people, including many liberals, feel that their country is hopelessly committed to aggressive policies from which there is no immediate chance of escape, and consequently they see no alternative but to see their country through its present difficulties, through loyalty to it rather than to its present leaders. It is my firm belief that any just assertion of American rights that is calculated to exert a restraining influence on those leaders will be welcome

793.94/15113

F/FG

15113

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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

-2-

to a great many of their reluctant followers.

It is, therefore, as much in the interest of Japan as of China, or of our own country, that I hope your arms will be upheld in your courageous efforts in support of international law and justice.

I remain, Mr. Secretary, with great respect,

Sincerely yours,

James D. Green

Hon. Cordell Hull
Secretary of State
Washington, D. C.

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

June 26 1939

In reply refer to
 FE 793.94/15113

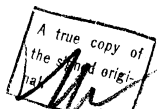
My dear Mr. Greene:

I have received and read with interest your letter of June 20, 1939 in regard to matters relating to the situation in the Far East.

The spirit which prompted you to bring your views to my attention is appreciated and your cordial expression of support and endorsement of the policy which we are endeavoring to follow in connection with developments in the Far East is indeed most gratifying.

Sincerely yours,

Cordell Hull



Mr. Jerome D. Greene,
 University Hall,
 Cambridge, Massachusetts.

CR 6/27
 JUN 26 1939

JUN 26 1939 PM

FE:ECC:HJM

6/24

MS
 FE
 6/24/39

793.94/15113

F/FG 5112

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

TELEGRAM RECEIVED

JR

¹⁻¹³³⁵
 This telegram must be
 closely paraphrased be-
 fore being communicated
 to anyone. (br)

FROM

Tsinanfu via Tsingtao
 & N. R.

Dated June 17, 1939

Rec'd 8:30 a.m., 22nd.

Secretary of State,
 Washington.

37, June 17, 2 p.m.

With reference to Tsinan's telegram No. 34, June

11, 7 p.m.

One. During the last few days both Domei News
 Agency and the Japanese military have been comparatively
 silent regarding Japanese troop movements and operations
 in Southern Shantung which probably indicates that they
 have made no important progress latterly.

Two. The number of Japanese troops in Southern
 Shantung has recently been estimated at 86,800 and the
 opinion of foreign observers would place the number of
 Japanese reinforcements arriving through Tsingtao into
 Shantung at one hundred thousand rather than twenty-five
 thousand. It is reported by travelers in this region
 that many more Japanese troops are now observed along the
 Tsingtao Tsinan Railway.

Repeated to Chungking, mailed to Peiping and Tsingtao.

HAWTHORNE

CSB

793.94/15114

F/FG

COPIES OF THIS MESSAGE
 SENT TO THE
 M.I.D. IN CONFERENCE

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

Confidential

P A R A P H R A S E

A telegram (no. 37) of June 17, 1939, from the American Consulate at Tsinanfu reads substantially as follows:

A short time ago it was estimated that there were 86,800 Japanese troops in the southern part of Shantung Province. In the opinion of foreign observers one hundred thousand instead of twenty-five thousand Japanese troops have arrived in Shantung through Tsingtao as reinforcements. Persons traveling in the Tsinanfu area report that along the Tsingtao-Tsinan Railway many more Japanese soldiers are now seen. The Japanese military and the Domei News Agency have had comparatively little to say during the past few days in regard to operations in the southern part of Shantung and Japanese troop movements. It is likely that this signifies that lately they have not made any important progress.

793.94/15114

EGC
 FE:EGC:HJN
 6/22

FE

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Sino-Japanese relations.

Report for month of April, 1939, concerning --.

793.94/15115

For the original paper from which reference is taken

See despatch # 596
 (Despatch, telegram, instruction, letter, etc.)

Dated May 3, 1939 From Hankow (Jarvis)
16

File No. 893.00-P.R. Hankow/142

15115 -

0701

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

(a) Course of hostilities.

793.94

In Kiangsi there was a pause. The Japanese, after their rapid and successful advance to Nanchang, were occupied in consolidating their new positions in this area, strengthening their communications, replenishing their supplies, and dealing with Chinese attempts to embarrass them in these efforts. They extended their effective control little beyond Nanchang and at the end of the month they were still reporting engagements in the vicinity of Maoan (高安), Fengsein (奉新) and other towns within a 50-mile radius of the provincial capital. Further north, in the

Wuning

-
1. Despatch No. 583, April 8, 1939.
 2. Telegram, April 23, 10 a.m.; despatches, No. 593 and No. 594, April 28, 1939.

070

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

Political report
April 1939
Hankow, China

-5-

Kuling (武寧) sector, they made little progress. On April 17th they turned their attention once more to Kuling, which they occupied the following day without difficulty, the major part of the Chinese troops having successfully withdrawn from the mountain.

North of the Yangtze, in western Hupeh, Chinese attempts to cross the Han River at various points between Anlu (安陸) and Yokiakow (岳家口) were partially successful and caused the Japanese some trouble. The Japanese retaliated by severely bombing Chinese towns and positions west of the Han. A brief Chinese forward movement in the Yingshan (應山)-Suhsien (隨縣) sector failed in the face of strong additions to the Japanese forces and at the end of the month the initiative had passed to the Japanese here and along the Han River.

Chinese guerrillas were active in northeastern Hupeh and in the area between the Peiping-Hankow Railway and the Han River. 1

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 By Milton O. Gustafson NARS, Date 12-18-75

793.94

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Swatow/137 FOR #50
 FROM Swatow (Young) DATED May 8, 1939.
 TO NAME 1-1127 ...

REGARDING: Sino-Japanese relations: developments for the month of April,
 1939, in summary.

FRG.

793.94/15116

15116

7

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

(b) Relations with Japan.

793.94
 The month of April was comparatively free from Japanese bombing attacks both in Swatow and in the rest of the district, all the raids being concentrated on April 27th, but throughout the month there were reports of appearances of single Japanese planes which flew over various parts of the district without dropping bombs. These were taken to be chiefly reconnaissance flights or possibly plane service between Formosa, Amoy and Canton.

On April 27th a single Japanese naval bombing plane visited Swatow twice* during the morning and once in the afternoon dropping eleven bombs in all in the godown area situated in the north-western section of the city. It was learned that a large shipment of rice purchased by the Kwangtung provincial authorities for transportation through Swatow to Chaokwan (潮 陽) the present temporary provincial capital of Kwangtung

province,

*Telegram No. 6 to Department, April, 27, 5 p.m.

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

-3-

Province, had arrived in Swatow and that it was probably the purpose of the raid to effect its destruction. While this objective was not attained, three bombs destroyed a factory engaged in the extraction of peanut oil from peanuts, killing eight Chinese civilians and wounding ten others.

A storage godown occupied by the Texas Corporation (China), Limited, an American company marketing petroleum products, is located about 400 feet from the peanut oil factory and it has been reported by the local manager of the American company that bomb splinters struck some of the empty oil drums stacked against the godown, but that fortunately no casualties or damage resulted.

The coastline of Eastern Kwangtung was constantly patrolled by Japanese naval craft during the month and there were many instances in which merchant ships of different nationalities were stopped and their papers examined by Japanese naval boarding parties. The British station ship at Swatow left port hurriedly on April 8th in an endeavor to prevent the British steamer Seaford, which was proceeding from Chaoanhaien, Fukien, to Foochow, from being taken to the Pescadores by a Japanese prize crew which had already taken charge previous to the arrival of the British naval vessel. All efforts proved useless and the station ship was forced to return to Swatow empty-handed.

There were the usual number of reports circulating

about

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

-4-

about both fishing and cargo junks being fired on and destroyed by Japanese vessels along the coast.

On the evening of April 28th the report was received in Swatow that Swabue had been occupied by Japanese troops but on the following day it was ascertained that a small landing party of between sixty and seventy Japanese had landed at the end of the hook on which Swabue is situated at a place called Pai Sah Chieh (白沙角) but had retired to their ship after a few hours and Swabue was not menaced at all.

A determined effort was made during the month under review to return to the rightful Chinese owners such property in Swatow as had been on lease to Japanese nationals at the outbreak of hostilities. The title to about forty pieces of property falling into this category is now being inspected by the People's Anti-Enemy Supporting Association and it is estimated that thirty-six of these parcels will be returned to the Chinese owners in the near future.

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

CROSS-REFERENCE FILE

NOTE

SUBJECT Statement made by Munters that the Germans had
 approached the British Government for a "deal"
 whereby Germany would support Great Britain
 in China.

793.34/15117

For the original paper from which reference is taken

See Tel. #64, 5 p.m.
 (Despatch, telegram, instruction, letter, etc.)

Dated June 20, 1939 From Latvia (Wiley)
7p/

File No. 740.00/1768

15117-

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

FE

TELEGRAM RECEIVED

EDA

1-1336

FROM COMSOPAT

June 22, 1939

Received 12:14 p.m.

ACTION CINCAF
 OPNAV

Handwritten: A file
Handwritten: m

COPIES SENT TO
~~ONE~~

INFO AMERICAN CONSUL CANTON
 AMERICAN CONSUL HONG KONG
 COMSUBRON FIVE
 ASST ALUSNA SHANGHAI
 COMDESRON FIVE
 COMYANGPAT
 AMBASSADOR CHINA
 USS ASHVILLE
 USS MINDANAO
 USS MARBLEHEAD
 USS TULSA
 FOURTH MARINES
 ALUSNA PEIPING
 ROUTINE

793.94

793.94/15118

0022 Swatow quiet Japanese completing occupation
 foreign property intact relatively little damage to
 city all third power nationals well. 2,000.

F/FG

0708

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



DEPARTMENT OF STATE

Memorandum of Conversation

DATE: June 21, 1939.

SUBJECT: Chinese situation.

PARTICIPANTS: SECRETARY OF STATE HULL AND THE
CHINESE AMBASSADOR, DR. HU SHIH.

COPIES TO:

793.94
 201
 875.112
 873.51

793.94/15119

The Ambassador of China called on his own request. He said he had asked for this interview before my June 19th statement on the Tientsin situation and that, therefore, he had nothing special in mind. He stated that conditions in China are much better than they were a month ago; that his country is able to get some arms fairly regularly. He saw an account of his interview in the New York papers lying on my desk and inquired what I thought about it. I promptly replied, that, if I might say so for his and my benefit combined, I thought it was not the best thing to put out a statement that would.

FILED

JUN 22 1939

F/FG

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

- 2 -

15531

would go to Tientsin and Tokyo to the effect that the Japanese were bluffing at Tientsin and my statement would have the effect more or less of quieting the situation. I said that young Japanese officers are mainly in control in the Tientsin area and such remarks as the Ambassador had made on yesterday were calculated to injure rather than help the situation. He expressed his regret and said he would keep that in mind in the future; that that idea had not occurred to him.

The Ambassador then stated that his Government had been able to secure loans of about 75 million dollars on the strength of the loan of 25 million dollars of our Export-Import Bank. This included 25 million dollars from the British governmental agencies, etc., etc. He said he was sure that their consignments of tung oil would come through safely and regularly. He then said that none of the 25 million dollar loan made by this Government to China had been expended for anything of a military nature by his Government. Finally he urged me, in behalf of Finance Minister Kung, to support an application for a further loan from the Export-Import Bank. I said that Jesse Jones is President of the Export-Import Bank and that the Ambassador would probably want to take the matter up with him and the Treasury as a first step.

C.H.

S CH:HR

0711

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

TELEGRAM RECEIVED

CJ

This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

FROM

MILAN

Dated June 22, 1939

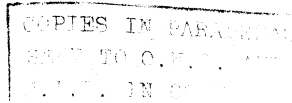
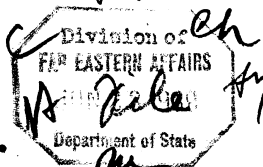
Rec'd 5:45 P.M.



Secretary of State,
Washington.

June 22, noon.

VERY CONFIDENTIAL.



872

793.94
note
765.94

According to a fairly reliable source a considerable
number of Italian aviation officers have been ordered to
Japan. Four such serving at Bresso near Milan have been
instructed by telegraph to furnish the War Office
passport photographs in civilian clothes. General Porro
addressing the men at Bresso yesterday quoted the Duce
to the effect that men should keep fit for service "far
from home".

The Embassy will be informed.

SHOLES

EMB:NPL

JUN 30 1939

FILED

F/A

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A strictly confidential telegram of June 22, 1939, from the American Consul General at Milan reads substantially as follows:

Orders have been given to a rather large number of Italian aviation officers to go to Japan and four such officers stationed near Milan (at Brescia) have received telegraphic instructions to send passport pictures of themselves in civilian clothes to the War Office. Speaking to the men at Brescia on June 21, General Ferro quoted Mussolini to the effect that men should keep in form for service a great distance from home. The above information was received from a source which is believed to be fairly reliable.

783.94/15120

89.C.
 FE:Chastenson:HES
 6-24

KE
 FE

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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 O. Gustafson NARS, Date 12-18-75

June 28 1939

CONFIDENTIAL - FOR STAFF USE ONLY

No. 1760

To the

American Chargé d'Affaires ad interim,
Tokyo.

The Secretary of State encloses for the confidential
information of the American Chargé d'Affaires a paraphrase
of a telegram of June 22, 1939 from the American Consul
General at Milan in regard to the reported ordering of
a number of Italian aviation officers to Japan.

793.94/15120

Enclosure:

Paraphrase of telegram
of June 22, 1939 from
Milan.

793.94/15120

CR ✓

JUN 28 1939

E. V. Hunt

29C.
FE:EGC:HJM

6/27

FE
m.m.k.

A true copy of
the signed original.

M. H. H.

F/F G

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

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not for attribution
 Copy also to.....
 and.....

TELEGRAM RECEIVED

JUN 29 1939

Not BE P. BL
 OFFICIAL INFORMATION.

EG

1-1330

GRAY

FROM
A-M/C

Hong Kong via N. R.

RECORDING DESK

FILE-C.S. Dated June 22, 1939

Rec'd 7 a.m., June 23

Secretary of State,
 Washington.

212, June 22, 4 p.m.

Reaction in Hong Kong to Japanese occupation of Swatow is so far more or less routine and without special character. Occupation has long been expected and so far as local information indicates it has been accomplished with far less opposition and damage than was anticipated. Latest information available here indicates Japanese occupation accomplished with minimum of fighting and damage. Portable valuables from the Swatow area have for many months past been coming to Hong Kong for safekeeping and it is estimated here that there is probably not much of that kind of property left there. Some Hong Kong business houses anticipate possibility continued local trade with Swatow but fully expect the important transit trade via Swatow between Hong Kong and the interior will be strictly curtailed. This would seriously decrease Hong Kong general trade which, because of availability of Swatow route, suffered

793.94/15121

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 29-10-10
 DEPARTMENT OF STATE

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

-2- #212, June 22, 4 p.m. from Hong Kong

suffered very much less than was anticipated from the
occupation of Canton.

Repeated to Chungking, Peiping, Canton, Swatow
and Shanghai.

SOUTHARD

GW:KLP

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

TELEGRAM RECEIVED

1-1326

FROM

FS

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

Secretary of State,
Washington.

40, June 23, noon.

Puppet officials here now holding anti-British mass meeting with parade. City placarded with anti-British slogans. British warships DUNCAN and BIRMINGHAM at the request of the British Consul arrived this morning. The Japanese organized demonstration appears to be directed solely against the British. Repeated to Peiping, to Chungking and to Shanghai.

CSB

ROBERTS

RECEIVED
DEPT. OF STATE
JUN 23 1939
CHINA AFFAIRS
M. D. Gustafson

Chefoo via N. R.

Dated June 23, 1939

Rec'd 7 a.m.

if paraphrase
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OANL AND M.I.D.
in confidence

793.94/15122

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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. Gustafson NARS, Date 12-18-75

(Confidential)

P A R A P H R A S E

A telegram (no. 40) of June 23, 1939, from the American Consul at Chefoo reads substantially as follows:

Placards bearing anti-British slogans are posted over Chefoo and an anti-British mass meeting with a parade are now being held by puppet officials in Chefoo. It seems that the British are the sole targets of the demonstration organized by the Japanese. On the morning of June 23, the Duncan and Birmingham (British warships) arrived at Chefoo at the British Consul's request.

793.94/15122

egc.
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS
June 27, 1939.

It is believed that you will find the memorandum enclosed with Chungking's 231, June 8, worth reading in its entirety.

The writer, George Taylor of Yenching University, is an English man and is generally regarded as a keen observer who has been in close contact with guerilla activities in north China. It will be noted that embodies views of Timperley, John E. Baker, J. L. Stuart and others.


FE:Penfield

0718

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

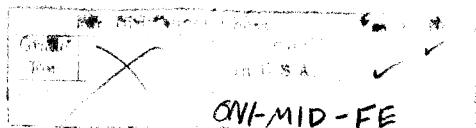


EMBASSY OF THE
UNITED STATES OF AMERICA
Chungking, June 8, 1939.

No. 231.

Subject: Conditions in the Interior of North China.

Confidential



ONI-MID-FE
(Ample please have
copies made & distributed)

CB

RECEIVED
DEPARTMENT OF STATE

1939 JUN 23 AM 11 33

DIVISION OF
COMMUNICATIONS
AND RECORDS

793.94/15123

The Honorable
The Secretary of State,
Washington.

Handwritten signature/initials

Sir:

793.94/15005

I have the honor to refer to this Embassy's telegram
No. 332, May 15, 1 p.m. in regard to certain aspects of
the situation in north China, and to enclose in this rela-
1/ tion a copy of a memorandum on this subject prepared by
the second person mentioned in the opening paragraph of the
telegram in question.

The memorandum presents a rather pessimistic picture
from the standpoint of China of conditions in the interior
of Hopei, adduces various reasons for the development of
this state of affairs, recites possible consequences of a

Japanese

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

- 2 -

Japanese triumph in central Hopei, and offers certain conclusions and suggestions. It is believed that the author of the memorandum is well qualified to discuss the subject, and that his comments and suggestions merit close attention.

In all probability the Chungking authorities are well aware of developments in Hopei but are unable to render additional material assistance in view of difficulties of communication and transport. A similar condition exists in the case of Shantung where guerrilla activities have likewise met with indifferent success. But irrespective of whether the Chinese authorities are in a position to give positive material aid to the guerrillas of Hopei, it should be remembered that the latter have established themselves during the past one and one-half years without receiving any particular support from the National Government, and it seems not unlikely that even if the Japanese have succeeded in reducing the principal hsien cities of the province they must even yet expend considerable time, men and money if they hope to eradicate the guerrillas and restore peace and order in the countryside.

The Embassy has not been able to learn what measures, if any, the authorities of the National Government are taking to cope with the problems posed in the enclosed memorandum, but in any case it seems clear that these must necessarily be limited in the main to "strategic" assistance and spiritual encouragement.

Respectfully yours,

For the Ambassador:

Willys R. Peck
Willys R. Peck,
Counselor of Embassy.

Enclosure:

0720
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

- 3 -

Enclosure: ✓

1/ Memorandum.

Original (by air mail) and four copies to Department.
Copy to Peiping.
Copy to Tokyo.

710

ETD:MCL

072

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

Enclosure No. 1
Despatch No. 231
Dated June 8, 1939

Memorandum on North China situation.

The following memorandum is the result of one and half years experience of the war in North China, of personal visits to Central Hopei and Shansi, of long discussions with Chinese leaders in North China and of exchange of ideas with Mr. Timperly, Mr. John E. Baker and Dr. J. L. Stuart. It is ^{no} in/sense a personal report.

The Japanese came into North China without plans. The period of chaos of the last two years is ending and plans are now crystalising for the exploitation of North China on the same model as "Manchukuo". Many Chinese and Japanese bureaucrats trained in the Three Eastern provinces have been imported into the north. The North China Development Company, though short of capital, is beginning to win its battle with the Japanese army in North China. The first period of "looting" is drawing to an end, the period of ruthless exploitation, of reducing the whole population to the two classes of labourers and peasants, is beginning.

The success of the second stage of Japanese policy depends on the elimination of guerrillas in Central Hopei and later in Shansi. The importance that the Japanese attach to their programme may be seen from the men and resources they have thrown into their campaigns against the guerrillas. There is the possibility that they may be able to consolidate their gains and within a year or two make a profit out of their conquest. If the guerrilla organisation is completely disrupted in Central and South Hopei this summer it will be difficult to rebuild it again.

A. Reasons for the crisis in North China.

1. Japanese anti-Guerrilla campaigns.

a.

- 2 -

- a. East Hopei. August 1938. Almost completely successful. Only 3,000 guerrillas left in the Yen Mountains. 30,000 retreated to Chaitang, west of Peking. East Hopei is the most important strategic area held by the Japanese. Reasons for failure of guerrilla movement - lack of sufficient leaders, preparation, political propaganda and lack of guns and ammunition.
- b. Shansi, Wutaishan. October, 1938. For the Japanese not very successful when judged by final results. Only change in military situation brought about by the campaign was the occupation of a few hsien cities west of the P'ing Han railway. The Border Government is back in Fuping, morale is high, relations with the people still good. (This is checked by foreign observers) Prices are rising but food is still sufficient. Main reason for success the uniform enforcement of guerrilla tactics, long political training and good relations with the people.
- c. Central Hopei. February, March, April, 1939. Situation very critical. Japanese occupy most of the hsien cities although a few change hands occasionally. Chinese and foreign reports that in certain areas people are ready to accept Japanese rule, especially in South Hopei. Guerrillas are short of grain, ammunition and guns. People disappointed owing to loss of cities, over-optimistic propaganda, lack of government support. Munition factories moved to west of the P'ing Han. Guerrilla civil administration disrupted. Economic policy cannot be strictly enforced - this important for cotton.

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

- 3 -

cotton. F.R.B. currency extended. Traitors have greater scope for action. Morale of the people undermined. Main reason for partial Japanese success - divided leadership among the guerrillas, some adopting positional warfare tactics some following guerrilla tactics. Shih Yu-san and Lu Chungling fought bravely but lost heavily owing to their policy of positional warfare.

- d. Japanese tactics. The Japanese first of all tried to rely upon a form of class warfare, organising the local gentry in the ^(linked village locality) Lien Chuang Huei but this failed. Now they are trying to drive in a wedge between the guerrillas and the people. There is evidence to show that they are not burning, raping and killing civilians so much as before, they are attempting to be generous to the peasants and ruthless with the guerrillas. This policy will probably fail owing to obvious reasons, but it must be taken into consideration.

B. Consequences of Japanese success in Central Hopei.

- a. Serious moral and material blow to the guerrilla movement. Extension of Japanese economic exploitation, currency and propaganda. Fortification of important points - making it more difficult to retake this area. Outflanking of the guerrillas in Shansi.
- b. Erection of a solid block of consolidated territory including East and Central Hopei - an excellent strategic base and a rich economic area for the Japanese. Possibilities for the development of the second stage of Japanese policy - consolidation and exploitation.
- c. Foreign observers, already half convinced, will be fully convinced that guerrilla warfare is useless and

that

- 4 -

that the Japanese cannot ultimately be resisted. This is important from the point of view of foreign propaganda for China. There will be a general lowering of morale among both foreigners and Chinese. The foreign business interests in Tientsin will have less heart to oppose the Japanese for they count on the guerrillas as allies in the economic war against Japan. Chinese intellectuals will tend to lose hope and may join the Puppet regimes.

C. Conclusions.

- a. In order to prevent the collapse of the North China guerrilla movement and to prevent the Japanese from making a profit out of the occupied areas Central Hopei must be retaken this summer.
- b. In order to achieve this it is impossible to rely entirely on local efforts and local materials. Government support is essential in order to raise morale and to recapture the hsien cities.
- c. The main problem is one of military and political organisation on the one hand, of technical help and supplies of war equipment on the other.

D. Tentative suggestions.

- a. That the provincial boundaries be ignored for the duration of the war in favour of the recognition and establishment of guerrilla bases of a strategic character.
- b. That all government officers be ordered to follow guerrilla tactics both in the military and political sense.
- c. Provision of technical men and dynamite to destroy communications.

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

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E.O. 11652, Sec. 3(E) and 5(D) or (E)

DDP letter, May 3, 1972

By KG Date 3/19/83

G-2 Digest of Information
 Sino-Japanese Situation
 June 8-16, 1939

FE-2 Bath
 T-1
 G-2
 TJB



NOTE: Situation Map does not accompany this report.

1. MILITARY.

a. The Japanese have undertaken clearing operations in south-eastern Shantung, which apparently are following the normal course of such procedures. Japanese columns are marching practically at will over the terrain meeting only fleeting Chinese resistance. The permanent consolidation of Japan's hold on this region is still a matter of conjecture.

b. In western Shansi the Japanese have pushed a column down the road from Fenyang to Chuntu on the Yellow River, apparently overcoming strong Chinese resistance. After capturing Chuntu advances of about 10 miles were made north and south thereof along the river. The Japanese now hold three points suitable for the forcing of crossings of the Yellow River, Chuntu, the Hotain area and the Tungwan area on a front of about 150 miles. In the opinion of qualified observers, however, no large scale crossings with a possible advance on Sian are now contemplated.

c. In Central China the Japanese have cleared out the light Chinese forces that advanced into the Han River bend during the recent Taping mountains campaign.

2. MISCELLANEOUS.

a. On June 7 the managers of the Chinese currency stabilization fund in Hongkong withdrew support from the Yuan which promptly dropped in foreign exchange value from above 16 cents to the dollar to below 13 cents. It has advanced subsequently to just above 13 cents where it is holding steady. The action apparently came as a surprise to the Chinese National Government. While the drain on the fund, previously recorded, would in itself justify such action, there are indications that substantial acquisitions by the Japanese of Yuan, which they in turn sought to convert into foreign exchange, had been an important element in the selling pressure developed. It is possible further that the losses entailed in this devaluation have been an aggravating factor in the formulation of the Japanese demands at Tientsin (see par. d below).

b. The Chinese National Government on June 8 decreed the expulsion of Wang Ching-wei from the Kuomintang, stripped him of his offices and

793.94/15124

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

proscribed him. It is probable that this action was taken in anticipation of Wang's more open affiliation with the Japanese. Credence is lent to this hypothesis by reports that Wang, possibly in collaboration with Hu Pei-fu, shortly will adhere openly to the Provisional Government or to a new governmental organ in North China. It is altogether possible that this may be one feature of a large scale political offensive planned by the Japanese to exploit their anticipated humbling of the British at Tientsin by investing their dependent governments with the robes of nationalism and anti-occidentalism.

c. On June 6 one R. E. Tinkler, of British nationality, was mortally wounded in Shanghai by Japanese soldiers incident to a commotion at an industrial plant in Pootung where he was employed. About June 1 Lieutenant Colonel G. R. Spear of the British Army who had journeyed from Chungking and crossed without authority into Japanese controlled territory near Kalgan, was detained by the Japanese at the latter place and to date efforts to secure his release have been unavailing. It is possible that the ineffectual British reaction to both of these events has influenced the Japanese toward adopting a strong policy against British territorial interests in China.

d. The struggle over the concessions and international settlements.

(1) In Shanghai the situation has remained tense, especially in view of the Tinkler affair, but there have been no new developments in terms of national policies or their application.

(2) At Tientsin early in the month the Anglo-Japanese friction seemed to have crystallized around the issue of the extradition from the British concession of four Chinese allegedly implicated in the murder of S. G. Cheng. Alleging that implication in the crime was not proved, the concession authorities refused to hand over the suspects. After bitter negotiations, reports were widely circulated that the British and incidentally the French concessions would be blockaded on June 7 or 8. These dates passed, however, without overt acts and negotiations continued. Finally on June 12 the Japanese Consul-General announced that a blockade would be instituted on June 14 and on that date it was actually set into effect.

On that date, according to press reports, official Japanese announcement was also made at Tientsin that the issue had been broadened and that relaxation of the blockade now depended on five conditions as follows:

- Discontinuance of protection of anti-Japanese and communist elements;
- Discontinuance of support of the Chinese national currency;

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

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Discontinuance of boarding of goods in Tientsin;
 Abolition of the unregistered radio station in
 Tientsin;
 Authorization of Japanese prepared schoolbooks
 in the Tientsin concession schools.

While there was initially some uncertainty as to whether some of the conditions prescribed were to apply only to Tientsin or were intended to be applicable to Great Britain's entire China policy, the issue was again apparently broadened on June 16, when Japanese official sources were reported as indicating that Japan was demanding a complete and implemented change of heart on the part of the British Empire.

As imposed, the Tientsin blockade involves the fencing in of the British and French concessions with barricades at certain of their entrances. Entry of ships, materials and funds has been effectually stopped. A partially successful ban on foodstuffs also has been imposed. Chinese nationals are subjected to such rigid examinations at the barriers as practically to stop their egress or entry. Foreigners go and come subject to identification and search, which processes are enforced with varying degrees of severity. To date the Japanese have claimed that they have no desire to inconvenience the inhabitants of the French concession and that its inclusion in the blockade is a regrettable matter of practical necessity.

The British Consul General at Tientsin and the British Ambassador to Tokyo have protested to the local Japanese Consul General and the Japanese Foreign Office respectively. The British Government has taken cognizance of the Tientsin blockade in the House of Commons and has announced that reprisals are under consideration. The governments of the United States, France and Great Britain are exchanging views on the situation.

(3) On June 16 further indication of the expansion of the issues involved was given by the institution of a Japanese naval blockade of the island of Kulangou, on which is situated the only international settlement. This blockade has prevented the loading and unloading of ships and has hampered the introduction of foodstuffs into the island. The Japanese demands here involve practical control of the settlement government.

(4) Comment.

(a) Undoubted fundamentals of Japan's action against the concessions and settlements are: the necessity, as she sees it, of eliminating what are undoubtedly centers of Chinese national resistance; her desire to destroy occidental prestige in the Orient as a step in obtaining unchallenged dominance in eastern Asia; and her desire to

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

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capitalize on the opportunity of giving her agent governments in China a popular nationalist and antiforeign orientation which circumstances at present prevent the Chinese National Government from assuming. This last factor should be stressed, as it is the only existing practical method for popularizing Japan's rule in China.

(b) External indications point toward the conclusion that the broadening of the issues involved from the extradition of four Chinese at Tientsin to the rescuing of Great Britain's Far Eastern policy has come about more as the result of Japanese opportunism and of the parallel action of indoctrinated local military leaders, than in consequence of any comprehensive plan on the part of the rulers of Japan.

(c) Observers have been quick to seek a connection between Japan's action in the Orient and Axis activities in Europe. Such a connection, involving the balancing of a check on Russia in view of Britain's demonstrated weakness in the Far East against the renewed impetus that Japan's action will give Great Britain in the direction of a rapprochement with Russia would seem to entail a delicacy of estimation which is beyond the scope of power politics. However there can be no question that, even if the present situation is a resultant of blind forces, the results of opportunism in Asia will be an important factor in the calculations of the power politicians of Europe.

11

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0725

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

TELEGRAM RECEIVED

CA

1-1326

FROM

COMSOPAT

Undated

Rec'd 3:40 p.m. June 25, 1939

ACTION: CINCAF

INFO: USS ASHEVILLE, USS MINDINAO, USS TULSA, USS POPE,
USS PILLSBURY (PASSED TO OPNAV BY CINCAF FOR INFO)

0025

793.94

Situation Swatow continues quiet, army settles
in occupation. Nipponese have suffered some losses
during northern advance, Chao Chow Fu reported occupied.
Soldiers, horses and equipment landed but at diminishing
rate. Eleven transports present. Understood possibility
port being opened with certain restrictions near future
0800.

TOR CODE ROOM 0400

WWC

793.94/15125

F/FG

0730

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

TELEGRAM RECEIVED

ML

A portion of this message
must be closely paraphrased
before being communicated ~~FROM~~
anyone. (br)

Tsinanfu via Tsingtao
and N.R.

Dated June 20, 1939

Rec'd 9 a.m. 25th

O.N.I. ADD
CONFIDENTIAL
R&K

Secretary of State

Washington

(GRAY)

38, June 20, 5 p.m.

Referring to my telegram No. 37, June 17, 2 p.m.

One. Japanese "mopping up operations" in southern
Shantung continue. Japanese claim to have "crushingly de-
feated" 51st and 57th ~~arms and ammunition~~ ^{army} troops which, dis-
persed into small bands, have taken refuge in the mountains.
(END GRAY). Little news is received from Chinese sources
but reports indicate that few casualties have been suffered
by Chinese troops. (?) they have withdrawn their forces
to the mountain districts thereby avoiding any major
clashes. Undoubtedly the disbandment of large Chinese
military units is a stratagem which will in effect give an
impetus to guerrilla activities while envisaging a possible
reorganization at a later date when Japanese pressure is
lessened.

(GRAY)

Two. Domei claims important official and three
councilors of legitimate provincial government were killed
when

793.94/15126

F/FG

793.94

R&K

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

ML -2- Tsinanfu via Tsingtao & N.R. June 20, 1939 9 a.m.
25th #38

when Japanese aeroplanes raided Tunglitien on June 8th.

Three. Meanwhile guerrilla activities have not ceased in the vicinity of Tsinanfu. (END GRAY). The populace has deserted large sections of the country side hereabouts due to fear of Japanese retaliation.

(GRAY)

About 800 guerrillas attempted to raid Wangshejenchwang 10 miles east of Tsinanfu on the railway yesterday morning. They succeeded in capturing 10 members of the pro-Japanese militia before being driven off by the Japanese garrison.

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

ROW

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

CONFIDENTIAL

PARAPHRASE

A telegram (no. 38) June 10, 1939 from the American Consulate at Tsinanfu reads substantially as follows:

Japanese "mopping-up operations" in the southern part of Shantung Province continue. The Japanese claim to have "crushingly defeated" 51st and 57th arms and ammunition troops which, dispersed into small bands, have taken refuge in the mountains. Reports indicate that the Chinese troops suffered few casualties although there has been little news received from Chinese sources. The Chinese may have withdrawn their troops to the mountainous districts and in this way avoided any major engagements. The breaking up of large Chinese military units is undoubtedly a ruse which will have the effect of adding impetus to activities of guerrillas while contemplating possible reorganization at a subsequent time when there is less Japanese pressure.

The Domei news agency report claims that an important official and three councilors of the legitimate Provincial Government were killed when Japanese airplanes raided Tunglitien on June 8. In the mountains guerrilla activities have not ceased in the vicinity of Tsinanfu. Because of fear of Japanese retaliation

large

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

-2-

large sections of the countryside around Tainanfu have been deserted by the inhabitants. About eight hundred guerrillas attempted to raid Wangshajenchuang, ten miles east of Tainanfu on the railway, on the morning of June 19. They succeeded in capturing ten members of the pro-Japanese militia before being driven off by the Japanese garrison.

793.94/15126

EGC
FE: EGC: HJM
6/26

FE

0734

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

TELEGRAM RECEIVED

JR

This telegram must be
closely paraphrased be-
fore being communicated
to anyone.

FROM

USS PILLSBURY

June 26, 1939

Rec'd 7 a.m.

ACTION: CINCAF

PASSED FROM CINCAF TO OPNAV FOR INFORMATION

0025. Vessels present, seven transports, five
trawlers, one destroyer, numerous small craft unloading
activities during day much reduced city orderly action
toward establishment puppet city government underway X
water system electric plant and telephone still in
operation X stories natives returning thru lines indicate
Nippons yesterday not beyond Phautai with Kityang and
Chaochowfu Chinese hands and defenders resisting
stubbornly. 2300.

RR

793.94/15127

F/FG

073

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

LEGAL ADVISER
JUN 28 1939
DEPARTMENT OF STATE

TELEGRAM RECEIVED PLAIN

JR
DIVISION OF FOREIGN
SERVICE ADMINISTRATION

JUN 30 1939
DEPARTMENT OF STATE

OFFICE OF THE ATTORNEY GENERAL
INTERNAL
JUN 29 1939
DEPT. OF JUSTICE

Hankow via N. R.
Dated June 26, 1939
Rec'd 10:33 a.m.

Secretary of State,
Washington.

145, June twenty-sixth.

A letter received today from Tuby V. Thompson, Fenghsien, Shensi, dated May ninth states she had just returned from Hanchung, Shensi, where "we were heavily bombed on the sixth and then the seventh. The latter date a large bomb fell in the yard near the Mission House" description of damage omitted as property believed to be British. In connection with bombing she stated "Miss Helen Dalton who was seriously ill is being moved by truck to Ningkiang on the way to Chengtu" leading me to believe Miss Dalton was also at Hanchung.

I have made representations on grounds of bombing endangering American lives.

Repeated to Chungking, Peiping, Shanghai.

JARVIS

DDM

793.94/ 15123

F/A

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

July 7, 1939.

Tsingtao's despatch no. 412 of May 18 reports, as from several missionary sources, that Chinese troops along the Honan-Hupeh border and those opposing Japanese across the Yellow River have good morale and equipment; that the Japanese nevertheless made a surprisingly rapid advance along the Honan-Hupeh border in May*; that no railway is being built from Kaifeng west to Hsuehchang (on the Peiping-Hankow Railway); that good railway service exists between Kaifeng and Hsuehchow; that the Japanese control little of Honan except the railways; that they have started to "clean up" eastern Honan, with the apparent intention of permanent occupation (page 4, bottom). The despatch also reports that the large Japanese force which reached Tsingtao in early May had just left for the interior.

* Marine intelligence reports from Shanghai confirm this advance but state that shortly afterwards the Japanese retired to their original positions.

793.94/15147

FE:Chase:JPS

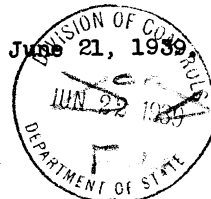
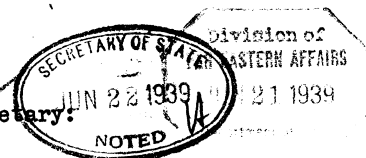
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
 Department of State letter, August 10, 1972
 By Milton D. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF CONTROLS

MEMORANDUM

93.94
 RE: The Secretary:



Mr. Frederick Moore, who is registered as "adviser on American and international matters" to the Japanese Government, pursuant to the Act of June 8, 1938, requiring the registration with the Secretary of State of agents of foreign principals, called me by telephone this morning. He said that he had vainly endeavored to communicate by telephone with officers of the Department who deal with Far Eastern affairs and that, as the matter was urgent, he had decided to call me. He said that he felt that it was of the utmost importance that a message be conveyed to the Secretary immediately "that Japan is not bluffing". He added that he feared that the Secretary might be misled by persons who desired to make him believe that Japan was bluffing and that he felt that any misunderstanding on this point might be disastrous. He urged me to communicate this message to the Secretary without delay.

J.C.G.
 Joseph C. Green

Co:JCG:HWD
CWg

793.94/15129

F/FG

0738

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

15633

TELEGRAM RECEIVED

CA

1-1336

FROM

Plain

SWATOW VIA N R

Undated

Rec'd 11:05 p.m. June 26, 1939

Secretary of State

Washington

30

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

793.94

The Commanding Officer of the U.S.S. PILLSBURY has been notified by the senior Japanese naval officer in Swatow that Japanese naval forces are commencing operations today against Wenchow and Foochow and that all third power vessels are requested by the Japanese authorities to leave those areas by noon, June twenty ninth, notification received specifies certain harbor areas which will be blockaded or become otherwise dangerous after time specified. Responsibility for damage to third power vessels if orders to depart not carried out disclaimed by Japanese. Third power nationals are requested to seek refuge elsewhere as soon as possible.

Repeated to Chungking, Paiping, Shanghai, Foochow.

YOUNG

NPL

793.94/15130

FILED

0739

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

TELEGRAM RECEIVED

CA

1-1336

FROM

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

TSINANFU VIA TSINGTAO & N R

Dated June 22, 1939

Rec'd 7:44 p.m. June 26.

and mtg ~~SECRET~~ ONE
SECRET
REX

Secretary of State

Washington

39, June 22, 2 p.m.

(GRAY) One. Local press announces that recent actions of Great Britain jeopardize the existence of "new China" and that popular pressure is necessary to bring about a change in the British attitude. An anti-British mass meeting is accordingly scheduled for 9:00 a.m. tomorrow, in which all localities, organizations, and schools are expected to participate. (END GRAY)

Two. Although ward leaders and the Chamber of Commerce have organized the meeting, unquestionably it has been inspired by the Japanese. While the growing anti-foreign movement cannot be said to be spontaneous (?) about the support of the native population as stated in my despatch to the Embassy No. 69, April 26, file 820.02.

Repeated to Chungking. Mailed to Peiping and Tsingtao.

HAWTHORNE

EMB NPL

793.94/15131

F/FG

773.94
note
741.94

773.94

0741

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

CONFIDENTIAL

CONFIDENTIAL

P A R A P H R A S E

A telegram (no. 39) of June 22, 1939, from the American Consul at Tsinanfu reads substantially as follows:

The Tsinanfu press announces that recent actions of Great Britain jeopardize the existence of "new China" and that popular pressure is necessary to bring about a change in the British attitude. An anti-British mass meeting is accordingly scheduled for 9:00 a.m. on June 23 in which all localities, organizations, and schools are expected to participate. The meeting has without doubt been inspired by the Japanese although it was organized by ward leaders and the Chamber of Commerce. Although it cannot be said that the growing movement against foreigners is spontaneous, the movement is likely, if continued, to gain some support from the native population.

793.94/15131

^{eg.C.}
FE:EGC:HJM 6/28

✓
FE

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

TELEGRAM RECEIVED

EDA

GRAY

1-1326

FROM

FOOCHOW VIA N.R.

Dated June 27, 1939

Received 3 a.m.

Secretary of State

Washington

June 27, noon.

It is reliably reported that between noon and one o'clock yesterday afternoon six Japanese vessels comprising a transport, a large trawler, two cruisers, a destroyer and a sixth ship, the type of which is not known, entered Sharp Peak.

Official sources state that between six and seven this morning six planes bombed Sharp Peak whereafter three small craft put out from the Japanese vessels with 100 marines and were successful in occupying Sharp Peak, the island commanding mouth of Min River. Meanwhile the planes proceeded to bomb Changmen forts guarding the inner Min River and an unsuccessful attempt to cross the barrier at Kuantou was then made by undetermined number of Japanese craft. The Changmen forts opened fire.

At ten A.M. three Japanese bombers reconnoitred over Foochow but dropped no bombs. Tension is increasing sharp and a usually reliable official source states that he considers an attack on the city as likely to occur shortly

COPIES SENT TO
 O.N.I. AND M.I.D.
 R&K

793.94/15132

F/FG

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

EDA - 2 - June 27, noon from Foochow

shortly, possibly tonight.

Sent to Peiping. Repeated to Chungking, Shanghai.

WARD

RR

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

EG

PLAIN

TELEGRAM RECEIVED
 Shanghai via N. R.

Dated June 27, 1939

FROM Sec'd 5 a.m.

Secretary of State,
 Washington.

541, June 27, noon.

I have just received through the senior consul a letter sent him by the Japanese Consul General for circulation to interested colleagues so "that they may be able to notify their respective nationals accordingly". The letter contains a statement from the Japanese naval authorities and sent at their request reading as follows:

"One. The Japanese naval forces will commence military operations at Foochow and Wenchow on twenty seventh June nineteen thirty nine. By noon (Japan time) of the twenty ninth, therefore, all third power men of war and merchant vessels in Wenchow harbor are requested to proceed to the waters east of one hundred twenty one degrees fifteen minutes east longitude, and those in Foochow harbor to the waters east of one hundred nineteen degrees fifty minutes east longitude. Beginning at the above mentioned hour the entrances to the two harbors will be closed by means of dangerous objects and other obstacles for reasons of military necessity so that passage into or out of the harbor will thereafter become impossible. The Japanese authorities cannot

assume

793.94/15133

F/FG

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

-2- #541, June 27, noon, from Shanghai via N. R.

assume any responsibility for losses either direct or indirect that might be suffered by vessels remaining in the harbor after the said hour.

Two. Locations of the dangerous objects are as follows: (a) at Wenchow: eastern section of Shatou channel; central section of south passage. (b) at Foochow: eastern section of Weitou (woga) channel (near the central buoy in the eastern section of the entrance to Min river.

Three. Since the areas in the vicinity of Wenchow and Foochow will become zones of hostilities, third power nationals residing in the said areas are hereby requested to evacuate as soon as possible."

Sent to Chungking, Peiping, Cincif, Amconsul Foochow.

GAUSS

DDM

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

TELEGRAM RECEIVED

FROM USS PILLSBURY

June 27, 1939

Received 10:50 a.m.

ACTION CINCAF

INFO COMSOPAT

Passed to OPNAV BY CINCAF FOR INFO.

COPIES SENT TO
M.I.D.
R&C

1027. Letter delivered me by Japanese sno 0840 today gist is follows: Japanese naval forces commencing military operation against Wenchow and Fuchow today third power men of war and merchant vessels requested leave these harbors and proceed to waters east of longitude one twenty one fifteen in case Wenchow and one nineteen fifty in case Fuchow by noon twenty ninth. Since these cities and vicinities will become zones hostilities all third power nationals residing these areas requested take refuge elsewhere as soon as possible. After noon twenty ninth harbors mentioned will be closed by dangerous objects and other obstacles. Location dangerous objects Wenchow eastern side Chatou Channel middle part of north and south passages Fuchow middle part Weitow Channel eastern side Minkiang passage near central buoy. Japanese authorities cannot assume any responsibility damage direct or indirect that may be suffered by vessels remaining harbors mentioned after time specified. 0900.

WWC

793.94/15134

F/FG

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Events in the Far East: Japanese seizure of Hainan and the
 Spratly Islands menaseto British and Dutch possessions.

For the original paper from which reference is taken

See Despatch #331
 (Despatch, telegram, instruction, letter, etc.)

Dated May 12, 1939 From Singapore
 Td

File No. 846d.00 P.R./73

793.94

793.94 / 15135

15135

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

793.94
 Events in Europe have so overshadowed the happenings in the Far East that little attention has been given here to such significant facts as the seizure by the Japanese of Hainan and the Spratly Islands although they are potential air and naval bases which could menace British and Dutch possessions in this part of the world. The Spratly Islands are only 640 miles from Singapore and 360 miles from the oilfields at Miri, Sarawak.

The absence of any outstanding Japanese victory and the recent Chinese offensives indicating that Japan has to some extent lost the initiative in China have created considerable optimism in Malaya and the belief that Chiang Kai-shek will receive additional foreign credits for the prosecution of the war.

Anti-Japanese Boycott

Imports from Japan continue to reflect the adverse effects of the Chinese boycott of Japanese goods. The comparative figures for the first quarters of 1937, 1938 and 1939 follow:

COMPARATIVE VALUES OF TOTAL IMPORTS OF MERCHANDISE FROM JAPAN INTO BRITISH MALAYA

1st quarter 1937	S\$9,750,917 (US\$5,363,004)
" 1938	2,803,528 (1,541,940)
" 1939	2,658,409 (1,462,125)

Since the boycott was in full swing during the first quarter of 1938, the smaller imports during the corresponding period of the present year are significant. A truer picture of the situation is revealed by a comparison of the 1939 figures with those of 1937.

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

There are, however, indications that the boycott is less effective than hitherto owing to the reduced purchasing power of Chinese coolies who require very cheap goods which are usually only obtainable from Japan.

In Penang, police efforts have proved discouraging to Chinese organizations which were actively endeavoring, by forcible means, to stop the sale of Japanese goods.^x

Shipments of Iron Ore to Japan

The shipments of iron ore to Japan continue heavy as evidenced by the following figures:

	<u>1937</u>	<u>1938</u> (in long tons)	<u>1939</u>
January ...	43,839	9,679	48,958
February ...	37,267	28,667	30,902
March	82,565	35,143	75,351
	<u>163,671</u>	<u>73,489</u>	<u>155,211</u>

(Note: The output for the first quarter of 1938 came entirely from Johore; the figures for 1937 and 1939 include Trengganu as well.)

During the first quarter of 1938, the strike of the Chinese miners in the Japanese mines of Trengganu resulted in an almost complete cessation of operations. These labor difficulties, as previously stated, have been solved by the replacement of Chinese workers to a small extent by Japanese fishermen who had had their fishing licenses revoked, and, for the most part, by British Indians.

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

TELEGRAM RECEIVED



JR

Shanghai via N. R.

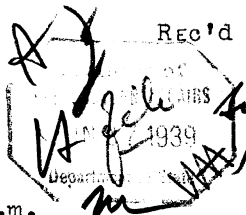
1-1336

FROM

Dated June 27, 1939 15634

Rec'd 10:35 a.m.

Secretary of State,
Washington.



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

546, June 27, 6 p.m.

Reference my No. 541, June 27, noon. /15/33

As the Japanese notification announced that
military operations at Foochow and Wenchow would
commence today, I have deemed it desirable to inform
my Japanese colleague immediately of the American position
as set out in previous instructions from the Department.
I have therefore addressed him a letter under today's
date stating as follows:

"The statement of your naval authorities has been
communicated to the appropriate officers of the American
Government. An effort is also being made to communicate
with the American citizens at Wenchow, in my Consular
district, in order that they may take such precautions
as may be possible for their safety.

I must inform you, however, that the notification
of your naval authorities cannot be accepted as in any
way relieving those authorities or the Japanese Government
of full responsibility for any injury to American

nationals

793.94/15136

F/EG

793.94

not
393.1115
393.1115

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

5635

-2- #546, June 27, 6 p.m., from Shanghai via N. R.

nationals or damage to American vessels or property.

American nationals and American property lawfully located in China possess certain well recognized rights which are in no way altered by the circumstances of the present conflict. American citizens at Foochow and Wenchow are under no obligation to withdraw from those places, and such withdrawal in any case might be found to be impossible. American property in areas which are made, or are about to be made, theatres of military operations can in most cases not be removed. This is obviously the case in regard to real property.

In order to safeguard American lives and interests precautionary measures were voluntarily advised by American Consular officers sometime ago. However, regardless of whether American nationals do or do not take such precautionary measures, the obligation rests upon the Japanese authorities to exert the utmost precaution to the end that American nationals and American property shall not be injured by Japanese military operations".

Repeated to Chungking, Peiping and Foochow and to Tsingtao to inform Commander-in-Chief. Air mail Tokyo.

GAUSS

KLP:RR

8751

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

LMZ.
LEGAL ADVISER
JUL 5 1939
*e

TELEGRAM RECEIVED

CJ

PIA IN DEPARTMENT OF STATE

1-1320

FROM

PEIPING VIA NR

Dated June 27, 1939

Rec'd 4:55 p.m.

Secretary of State,
Washington.

APPROVED
JUL 28 1939
Department of State
Ay
m

311, June 27, 4 p.m.

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

Hankow's 145, June 26./15128

Lives of American citizens at Hanchung Shensi jeo-
pardized by bombing.

Written representations made to Japanese Embassy
here today.

Repeated to Chungking, Shanghai and Hankow. By air
mail to Tokyo.

SMYTH

NPL

793.94
393.1115

793.94/15137

F/FG

FILED

0752

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

TELEGRAM RECEIVED

CA

1-1336

FROM

Plain & Gray

FOOCHOW VIA N R

Dated June 27, 1939

Rec'd 10:30 p.m.

Secretary of State

Washington

June 27, 11 p.m.

My June 27, noon.

It is reported here that Wenchow was taken by
Japanese forces at 4:00 P.M. today.

In the third raid on this area carried out today
nine Japanese bombing planes appeared over Foochow at
1:25 P.M., six of these planes bombed the southern end
of Nantai Island, while the other three bombed Paisha.
No damage was effected. Pamphlets were also reported to
have been dropped at the gap benol an uninhabited area.

Sent to Peiping. Repeated to the Department, Chungking,
and Shanghai.

WARD

NPL EMB

COPIES SENT TO
C.N.I. AND M.I.D.
R&K

793.94/15138

F/FG

0753

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

No. 83.

AMERICAN CONSULATE,

Tainan, China, May 24, 1939.

REK

SUBJECT: JAPANESE REPULSE CHINESE ATTACK ON TAINAN.

Willys R. Peck, Esquire,

American Charge d'Affaires ad interim,

Peiping.

Sir:

I have the honor to refer to this Consulate's telegram no. 26,* May 18, (1939) 10 a.m., and to report that the Japanese military headquarters has at last broken its silence regarding the events of the night of May 16th. In this connection, the following statement, in translation, was carried by the Japanese-controlled press today:

"Plans of Shen Hung-lieh's Troops for Attack on Tainan Frustrated.-- One detachment of the newly organized 4th Division under the command of Wu Hua-wen, approximately 600, slipped into the western and southern parts of Tainan in an attempt to attack the city. On the night of the 16th, different Japanese punitive units launched a drive against the invaders and succeeded in encircling them after a period of 4 days. Mopping-up operations were then carried out, and as a result the invaders were routed, leaving 568 dead behind. The amount of military equipment captured is being investigated."

It is not believed that the Japanese "punitive units" were engaged for four days in a successful encircling movement, as alleged. The truth is probably that it took the Japanese garrison four days to repulse the attackers. However, some face-saving explanation had to be given. Had it not been for the circumstances reported in paragraph 1 of my telegram under reference, the local Japanese

garrison

*See also this Consulate's telegrams nos. 27 to 29, inclusive.

793.94/15139

F/EG

15139

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

- 2 -

garrison would probably have been occupied for a longer period than four days.

Wu Hua-wen (吳化文), said to have been in immediate command of the attacking forces, formerly commanded a pistol brigade under General Han Fu-chu. For a biography of Shen Hung-lieh (沈鴻烈) up to the outbreak of hostilities, see page 203, WHO'S WHO IN CHINA, fifth edition (1936), published by THE CHINA WEEKLY REVIEW, Shanghai.

It will be recalled that, as Mayor of Tsingtao in 1937, Admiral Shen refused all Japanese overtures, which were doubtless most attractive from the narrow point of view of personal enrichment, and was directly responsible for the systematic destruction of Japanese cotton mills and other Japanese property the value of which has been estimated in the neighborhood of Chinese \$100 million. In December 1937 he withdrew to the interior of Shantung with a few loyal supporters and some 2,000 marines. Since that time he has been gradually augmenting his forces and continuously harassing the Japanese. Following his withdrawal from Tsingtao he was appointed by the National Government as Governor of Shantung, and it is said that his orders are implicitly obeyed alike by guerrilla leaders and commanders of regular troops. His devotion to China's cause and his tremendous popularity with the people have made him Shantung's "Public Enemy No. 1" so far as the Japanese are concerned.

With more leaders like Admiral Shen and less reluctance on the part of the upper and middle classes to serve their country in the field, instead of depending on the "soldier" or "coolie class" to do the fighting, this country

would

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

- 3 -

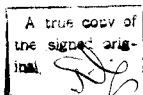
would never have reached the present impasse in its struggle against Japan, notwithstanding superior Japanese equipment, in the opinion of this Consulate.

Respectfully yours,

Carl O. Hawthorne,
American Vice Consul.

800
COH/KCC

Original to Embassy, Peiping,
5 copies to Department,
Copies to Embassies, Chungking and Tokyo,
Copy to Consulate, Tsingtao.



075F

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



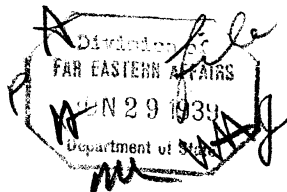
EMBASSY OF THE
UNITED STATES OF AMERICA

No. 2056

Peiping, May 22, 1939

Subject: The Sino-Japanese Hostilities
and Information as to the
Course Thereof

793.94



RECEIVED
DEPARTMENT OF STATE

1939 JUN 27 PM 1 35

DIVISION OF
COMMUNICATIONS
AND RECORDS

Key Distribution Check		Yes	No
Class.	For		
		In U.S.A.	

The Honorable

The Secretary of State,
Washington, D.C.

Sir:

I have the honor to refer to Tsingtao's despatch No. 410 of May 15, 1939, to the Embassy, entitled "The Sino-Japanese Hostilities and Information as to the Course Thereof", a copy of which was sent by Tsingtao direct to the Department.

There is enclosed for the information of the Department a copy of the Embassy's instruction of May 22, 1939, in reply to Consul Sokobin, which is brief and self-explanatory.

Respectfully yours,

For the Charge d'Affaires ad interim:

Frank P. Lockhart
 Frank P. Lockhart
 Counselor of Embassy
Enclosure

793.94/15140

F/FG

15140

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

- 2 -

Enclosure:

- 1/ Embassy's instruction to
Tsingtao, May 22, 1939.

Original and 1 copy to Department.
Copy to Embassy, Chungking.

710/800
RLS-JK

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

Enclosure No. 1
Despatch No. 2056

Peiping, May 22, 1939

Samuel H. Robinson, Esquire,
 American Consul,
 Peking.

Sir:

The Embassy received to-day your despatch No. 410 of May 15, 1939, entitled "The Sino-Japanese Hostilities and Information as to the Course Thereof", in which you comment on a number of matters, including the "Kaifeng affair" of April, and the construction by the Japanese of a branch railway line to connect the Peiping-Hankow Railway at Hsinchiang, Honan, with the Lunghai Railway at Kaifeng, Honan.

If you had awaited the receipt of the Embassy's political report for April, you would have noted that the Chinese claims in regard to their attack on Kaifeng were cited by the Embassy as an example of exaggerated Chinese military reports. You would also have noted that the construction of the branch railway mentioned above was duly reported. The Embassy has been fully informed in regard to the Kaifeng affair, as well as the building of the branch railway, having received
detailed

0759

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

- 2 -

detailed reports on both matters from American newspaper correspondents who visited Chinsiang and Yairong on April 24. The information furnished by the correspondents on these two subjects was promptly reported to the Department by the Embassy in its telegram No. 201 of April 26, 5 p.m.; this telegram was not repeated to you, as the Embassy does not as a general rule repeat to consular officers telegrams which deal with events occurring outside their respective consular districts.

The Embassy is well aware of the exaggerated nature of both Chinese and Japanese military reports, and gives this factor due consideration in the preparation of its political reports, checking the Chinese and Japanese claims with information received from many other sources, such as reports from consular officers, reports from the American military attaché, as well as information received from other sources available to the Embassy.

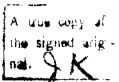
Very truly yours,

For the Charge d' Affaires ad interim:

Frank L. Lockhart
 Counselor of Embassy

Copy to:
 Department
 Embassy, Chungking
 Embassy, Tokyo
 Consulate, Tsinan
 Consulate, Chefoo

710/800
 RLS-JK



0761

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

TELEGRAM RECEIVED

EG

1-1336

GRAY

FROM

INTERNATIONAL COMMUNICATIONS

JUN 29 1939

Swatow via N.R.

Dated June 28, 1939

Rec'd 8:15 a.m.

Secretary of State,
 Washington.

32, June 28, 9 a.m.

The Japanese Consul informed me today that he is endeavoring first to get the postal service in operation after which the Chinese maritime customs will be re-organized. The Commissioner of Customs has been given to understand that he will soon have half the post (*) returned him but that a Japanese deputy commission should be appointed to facilitate the functioning of the customs service in Swatow. The port will probably be first opened to Japanese commercial shipping after which other vessels will be given access, but it is as yet undetermined when this will take place.

Repeated to Chungking, Peiping, Shanghai.

YOUNG

WWC

(*) Apparent omission

793.94/15141

F/FG

793.94
 note
 793.71
 693.002

RECEIVED
 JUN 29 1939

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

15638

TELEGRAM RECEIVED

EG

1-1236

A portion of this message FROM
 must be closely paraphrased
 before being communicated
 to anyone. (Br)

Foochow via N. R.

Dated June 27, 1939

Rec'd 11:50 p.m.

Secretary of State,

Washington.

June 27, 10 p.m.

(GRAY) Upon the receipt of information of the

Japanese declaration of their intention to attack
 Foochow I called a meeting of the leading American
 citizens in Foochow at the Consulate at 2 p.m. today
 to inform them of the situation and to attempt to per-
 suade any who were willing to leave the port to do so.
 It was pointed out that they were endangered by (one)
 the then stated determination of the Chinese to destroy
 the city, and (two) looting and mob violence after the
 collapse of police authority. Americans now here appear
 determined, however, to remain, although arrangements
 have been made for moving some of the American residents
 of the city proper over to Nantai Island.

The British Consul held a similar meeting at 5 p.m.
 inviting me to attend informally and unofficially. I
 did so but took no part in the discussion. Only two or
 three British subjects were willing to leave Foochow
 although a number will concentrate at their Consulate.

The

793.94/15142

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793.9d

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

15637

-2- JUNE 27, 10 p.m. from Foochow via N. R.

The British Consul hopes to be able to bring up ten or twelve sailors from HMS DUCHESS at Sharp Peak for the protection of his nationals. (END GRAY) CONFIDENTIAL. He appears to believe that British shipping will comply with the Japanese warning although HMS DUCHESS may not do so.

Sent to Peiping, repeated to Chungking, Shanghai.

WARD

WWC:HPD

0763

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

CONFIDENTIAL

CONFIDENTIAL

P A R A P H R A S E

A telegram of June 27, 1939, from the American Consul at Foochow reads substantially as follows:

Upon the receipt of information of the Japanese declaration of their intention to attack Foochow the Consul called a meeting of the leading American citizens in Foochow at the Consulate at 2 p.m. on June 27 to inform them of the situation and to attempt to persuade any who were willing to leave the port to do so. It was pointed out that they were endangered by (one) the then stated determination of the Chinese to destroy the city, and (two) looting and mob violence after the collapse of police authority. Americans^{now} in Foochow appear determined, however, to remain, although arrangements have been made for moving some of the American residents of the city proper over to Nantai Island.

The British Consul held a similar meeting at 5 p.m. inviting the American Consul to attend informally and unofficially. He did so but took no part in the discussion. Only two or three British subjects were willing to leave Foochow although a number will concentrate at their

793.94/15142

0764

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

CONFIDENTIAL

-2-

Consulate. The British Consul hopes to be able to bring up ten or twelve sailors from HMS DUCHESS at Sharp Peak for the protection of his nationals. The British Consul seems to be of the opinion that although HMS DUCHESS may remain at Sharp Peak British merchant vessels will comply with the Japanese warning to leave the Foochow area.

793.94/15142

29C.
FE:EGC:HJM

6/30

FE

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

TELEGRAM RECEIVED

FS

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

COMSOPAT

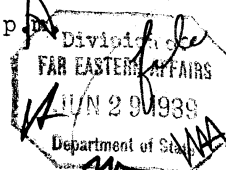
FROM

June 28, 1939

Rec'd 2:50 p.m.

ACTION: CINCAF

(PASSED BY CINCAF TO OPNAV FOR APPROPRIATE ACTION).



0027. Reference notification rendered destroyer

port south propose advising Rear Admiral commanding local orange base that under circumstances prevailing the premise of communication is not acceptable. Also should requirements our nationals Foochow make it advisable vessels all proceed Sharp Peak and his government will be held responsible any interference or damage. Ship KING YUAN unloaded firewood etc. for relief organization no further developments 2359

793.94

793.94/15143

FILED

F/FG

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

5639

TELEGRAM RECEIVED

CJ

GRAY

1-1336

FROM

FOOCHOW VIA NR

Dated June 28, 1939

Rec'd 2:14 p.m.

Secretary of State,
 Washington.

COPIES SENT TO
 O.N.I. AND M.I.
 R&K

Division of
 FAR EASTERN AFFAIRS
 JUN 29 1939
 Department of State

793.94

June 28, 3 p.m.

I have just been informed officially that under orders of the Provincial Government the city of Foochow will be closed as from midnight tonight after which time no passage into or out of the mouth of Min river will be allowed.

There are at present one hundred American's and one Filipino in this Consular District; the whereabouts of the thirty nine of that number who reside in or near Foochow is set forth in my telegram of June 27, 5 p.m.; that of the remainder is as follows: one at Chunan, two at Dionglos, five at Futsing, one at Hankong, eight at Ing tai, twelve at Kichnow, one at Kienyang, three at Kutin, one at Mintsing, fourteen at Nanping, three at Putien, four at Shanowu, four at Sienyu, and three at Yankow.

Copies of a sketch map of the consular district showing the places named were enclosed in the Consulate's despatch No. 5 of October 1, 1937 to the Consul General "No. 6, to the Department".

Foochow

793.94/15144

F/EG

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

15840

-2- June 28, 3 p.m., from Foochow via NR

Foochow is unusually calm, a rumor is widely circulated this morning to the effect that the threatened attack would not actually take place. This afternoon it is rumored that 40 Japanese naval vessels have arrived off Matsu Island but no confirmation is possible, and an official source states only that some 9 Japanese naval craft were reported anchoring Lienkiang. No raids have occurred so far today.

Sent to Peiping, repeated to Chungking, Shanghai.

WARD

CSB

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

15641

DEPARTMENT OF STATE
 DIVISION OF FAR EASTERN AFFAIRS

June 29, 1939.

~~GA~~
~~MEM:~~

Reference Amoy's No. 62, June 28, 6 p.m. in regard to a communication from the Commander of the South China Patrol to the Japanese Navy.

I have drafted a telegram to Amoy calling attention to the Department's policy of not specifically referring to the non-existence of a formal state of war in connection with the current hostilities between China and Japan.

On thinking the matter over it seems to me that it might be well to send to Amoy and to the Embassy a telegram along the lines of the attached draft merely for the purpose of emphasizing the Department's policy in regard to the point involved.

WA
 Adams

793.94/15145

0765

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

5642

Tel to Amoy
 drafted
 in

TELEGRAM RECEIVED

1-1336

FROM

JR

GRAY

Amoy via N. R.

Dated June 28, 1939

Rec'd 2:20 p.m.

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

793.94

Secretary of State,
 Washington.

62, June 28, 6 p.m.

LEGAL ADVISER
 JUL 5 1939
 DEPARTMENT OF STATE

With reference to the Japanese notice regarding
 evacuation of foreigners, and the proposed blockade of
Foochow, Captain Stapler, Commandant United States South
 China Patrol has requested Admiral Miyata to inform Vice
 Admiral Kondo in command Japanese naval forces South China
 that: in view non-declaration of war between China and
 Japan, the contemplated blockade is illegal under
 international law and the proposed action therefore cannot
 be accepted. Further, should it become necessary at any
 time to send naval vessels for the protection of Americans,
 the responsibility for any damage to United States ships
 will rest with the Japanese.

MACVITTY

WVC:CSB

793.94/15145

F/FG

0770

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

PREPARING OFFICE
 WILL INDICATE WHETHER

Collect
 Charge Department
 OR
 Charge to
 \$

TELEGRAM SENT

Department of State

Washington,

NAVAL RADIO

1939 JUL 1 PM 3 19

July 1, 1939.

AMERICAN CONSUL,

AMOY (CHINA).

INFO: AMEMBASSY, CHUNGKING (CHINA).
 AMEMBASSY, PEIPING (CHINA).

21. Your '62, June 28, 6 p.m.

The Department notes that in your telegram under reference there is given in specific terms the reason for the Commander of the South China Patrol's non-acceptance of the premise of the Japanese communication, and that the Commander of the South China Patrol in his message 0027-2359 to the Commander in Chief, which the latter approved in his 0028-0945, the Commander of the South China Patrol states his reason in general terms.

It seems to the Department preferable that a statement of reasons be couched when practicable in general rather than in specific terms.

If you have not already done so please repeat your telegram under reference to the American Embassy at Chungking and Peiping.

Repeated to Chungking and Peiping.

Enciphered by 793.94/15145

Sent by operator _____ M., _____, 19____

D. O. R.—No. 50

FE:WAA:HES

1-1402

U. S. GOVERNMENT PRINTING OFFICE

FE

m. m. h.

LE *[Signature]*

793.94/15145

F/FG

0771

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

No. 410

Copy for the Department of State.

AMERICAN CONSULATE

Tsingtao, China, May 15, 1939.

Subject: The Sino-Japanese Hostilities
and Information as to the
Course Thereof.

Division of
FAR EASTERN AFFAIRS
JUN 20 1939
Department of State

RECEIVED
DEPARTMENT OF STATE

1939 JUN 28 AM 11:35
Willys R. Beck, Esquire,
Charge d'Affaires ad interim,
American Embassy,
Peiping, China.

Mr. Clegg	Mr. Glavin	Mr. Ladd	Mr. Nichols	Mr. Rosen	Mr. Tracy	Mr. Carson	Mr. Egan	Mr. Gurnea	Mr. Hendon	Mr. Jones	Mr. Quinn	Mr. Nease	Mr. Gandy

Sir:

I have the honor to advert again to the reference made by the Embassy on page 14 of its political report for March 1939 to the "conflicting reports and the scarcity of reliable, independent information". While the reference deals with only one aspect of the Sino-Japanese hostilities, i. e. the question of the effectiveness of Chinese troop and guerrilla activities in the Japanese occupied areas, this consulate is prompted to make some observations because of some reports on recent occurrences.

On April 22, 12 noon, the consulate in its telegram no. 85 reported that American travelers arriving from Kaifeng had informed this office that the fighting reported in and around Kaifeng was of scant, if any, importance. The NORTH CHINA DAILY NEWS in its issues of April 14 and 15 carried stories of Chinese "attacks"

on...

793.94/15146

F/FG/5146

- 2 -

on Kaifeng; of "severe fighting" of the capture of Kaifeng by Chinese; of "occupying the Kaifeng aerodrome".

The Tsinan Consulate in its despatch no. 67 of April 21, 1939, file no. 800/690, subject: Some Items of Interest from Hsuehchow and Kaifeng, referred to reports from foreign travelers who in a somewhat similar manner to the newspaper items brought information on the Chinese attacks on Kaifeng and its "imminent capture".

In the same telegram of April 22 on the unimportance of the fighting at Kaifeng, this consulate reported that the Japanese were building a railway from Kaifeng to Sinsiang (新鄉) on the Peiping-Hankow Railway. There is now quoted a DOMEI newspaper despatch of May 6 which appeared in the NORTH CHINA DAILY NEWS:

"PINGHAN LINE LINKED TO LUNGHAI
"Spur Railway Formally Opened to Traffic

"Sinsiang, May 6.

"After a year of disruption, the Peiping-Hankow and Lunghai railways had been joined again today as a new 80-kilometre spur linking Sinsiang on the Peiping-Hankow, line with Kaifeng, capital of Honan, was opened to general traffic.

"An opening ceremony of the new line, built by two Japanese military engineer units, was held at Tapingchen, halfway between Sinsiang and Kaifeng, yesterday morning in the presence of a representative of Gen. Sugiyama, commander-in-chief of the Japanese Expeditionary Force to North China.-Domei."

Making every allowance for the fact that the DOMEI news agency is Japanese and that its despatches are based almost entirely on Japanese information and that its despatches...

0 7 7

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

- 3 -

despatches are often nothing less than propaganda, this consulate feels that the contrast or conflict between reports emanating barely three weeks ago of Chinese successes at Kaifeng, of Japanese losses at such an important point as one selected for the installation of Marshal Wu Pei-fu and the present report of the completion by Japanese of 50 miles of railway from Kaifeng to Sinsiang bear out in an illuminating manner the Embassy's observation on the absence of reliable, independent information. If the DOMEI report is true, and this consulate does accept the report, it emphasizes how some newspapers in China "play-up" Chinese propaganda and Chinese reports of incidents, battles and campaigns which never seem to materialize successfully for China, while practically ignoring or minimizing by publishing in an obscure position Japanese accomplishments which are of no little significance. The building by the Japanese of a 50 mile railway line to connect China's leading east and west railway with a premier north and south railway at a point in the heart of China is an instance of Japanese accomplishment which as far as can be observed at this time will, unless there is a reversal from the present course of hostilities, considerably affect Chinese and foreign interests. Yet the headlines of April 14 and 15 gave the impression of a significant Chinese success at a point where this consulate's informants emphasized that at the very time the Japanese were proceeding with the construction...

- 4 -

construction of a railway line to connect two of China's most important railways - and this in a region where on the one side the builders of the railway were faced with a great hostile Chinese force and on the other side by equally hostile guerrillas.

If the report of the completion of the railway as reported on May 6 is true, the validity of the reports of mid-April regarding the attack on Kaifeng and the importance thereof can now be judged. Whether the railway has been built is a matter which can be substantiated in a short time.

It is indeed true that it is almost a year since the Japanese occupied Kaifeng and doubtless the construction of the 50 mile railway has been a costly venture if the military expenditures are charged thereto. But since Sinsiang is the junction point on the Peiping-Hankow Railway for the Taokow-Chinghua Railway which serves a rich coal mining region in Honan where the Chung Fu Mining Administration and the Pekin Syndicate operated important mines, a connecting railway to provide an outlet southward, in view of the disruption of the Peiping-Hankow Railway in the Chengchow area, is a necessity.

Part of the Taokow-Chinghua Railway is reported also to have been destroyed in 1938 but it is believed that the Japanese are in occupation of that region where valuable coal mines of the Chung Fu Administration and the Pekin Syndicate are located. In 1936,
of...

- 5 -

of the total tonnage of 1,282,000 metric tons carried by the Tao-Ching Railway 90% comprised mine products, coal. The joining of the Peiping-Hankow Railway and the Lunghai Railway gives the Japanese in control of a rich coal field another outlet by sea for the coal needed in Japan and the lower Yangtze. From Sinsiang to Tsingtao via Kaifeng and Hsuehchow the distance is about 1,060 kilometres; from Sinsiang to Pukow via Kaifeng and Hsuehchow the distance is 700 kilometres, slightly less than the distance to Tientsin from Sinsiang. If it is true that the Japanese are also building a spur southwestward from Kaifeng to Hsuehchang (新昌) on the Peiping-Hankow Railway, the Japanese will be able to transport by rail the coal which is so much needed in Hankow; the consulate was informed that coal was being transported from Sinsiang to Kaifeng by wheelbarrow during the course of the construction of the connecting railway.

The building of the railway appears to this office a matter of no little importance and of great value. Apparently a decision of major importance has been taken in respect to Chengchow and the great Yellow River Bridge. While some travelers continue to dwell on stories on Chinese attacks and while newspapers give prominence to reports of Chinese attacks at key-points such as Kaifeng, yet in that very region the Japanese are now reported as having completed the construction of a fifty mile railway which cannot but be of military value and of considerable commercial and economic importance...

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

- 6 -

importance in connection with the exploitation of the Honan coal field.

This consulate does not wish to appear to take the very dogmatic attitude that many foreigners in China appear to have adopted. There does not appear to be any question that something did happen at Kaifeng; there does not appear to be any question that the Japanese have been building a railway from Kaifeng to Sinsiang, which the Japanese now report completed. Some foreigners and some newspapers attached an importance to the occurrence at Kaifeng and ignored the item regarding the completion of the railway.

It would appear to this consulate that so long as foreigners and Chinese wish to minimize or to be oblivious to Japanese successes (regardless of the cost thereof to the Japanese) information from such foreigners and Chinese is hardly less than biased and cannot be characterized as reliable and independent.

Respectfully yours,

Samuel Sokobin,
 American Consul.

800
 SS/CML

Original to Embassy, Peiping,
 Five copies to Department of State,
 Copy to Embassy, Chungking,
 Copy to Embassy, Tokyo,
 Copy to Consulate, Tsinan,
 Copy to Consulate, Chefoo.

A true copy of
 the signed original.

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

Copy for Department of State.

No. 412

AMERICAN CONSULATE

Tsingtao, China, May 18, 1939.

SUBJECT: Conditions in Honan Province.

Willys R. Peck, Esquire,
Chargé d'Affaires ad interim,
American Embassy,
Peiping, China.

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

RECEIVED
DEPARTMENT OF STATE

ST 11

I have the honor to report that several mission-
aries who have just arrived in Tsingtao from widely
spread sections of Honan have given the consulate
the following information.

As early as May 2 and May 4 the furthestmost west
point occupied by the Japanese along the Honan-Hupeh
border was Yu Ho Chen (游河鎮), 50 li south west
of Sinyang (信陽) on the Peiping-Hankow Railway.
There were no Japanese troops at Tang Ho (唐河)
or at Tungpeh (桐柏) in Honan Province nor at
Tsao Yang (棗陽) in Hupeh Province. The 68th
Chinese army was between Tungpeh and Yu Ho Chen while
the renowned General Li Tsung-jen was reported at
Tsao Yang. Large Chinese troop movements were then
taking place southwest from Fang Cheng (方城) to-
ward Tungpeh and east thereof. The informant stated
that the Chinese troops along the Honan-Hupeh border
were in high spirits and appeared to be well equipped.
The informant, who had left his station at Tang Ho on
May...

793.94/15147

F/FG

15/147

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

- 2 -

May 5, was amazed, however, upon arriving in Tsingtao on the evening of May 16 to read a Chinese report from Chungking admitting that fighting was taking place at a point near Sin Yeh (新野), which is west of Tang Ho and approximately 90 miles west of Yu Ho Chen, the latter place, as stated above, being the furthest west point along the border that the Japanese had occupied up to May 2. The Japanese had accordingly made rapid progress in their westward thrust toward Siang Yang (襄陽) on the Han River.

This informant came out of Honan via Nan Yang (南陽), thence by truck in one day to Hsuehang (許昌) on the Peiping-Hankow Railway. Hsuehang is in Chinese hands; from Hsuehang he proceeded by riksha to Yushih (尉氏) to the east of which the Yellow River now flows. After leaving Yushih he encountered the first Japanese outpost at Chu Hsien Chen (朱仙鎮). Strangely, he was not challenged by any Japanese enroute to Kaifeng nor questioned in any way at Kaifeng where he had no difficulties whatsoever, where his movement was unrestricted and where his presence was accepted as a matter of course by the Japanese military there. No difficulty was experienced in purchasing a railway ticket to Tsingtao. Leaving Kaifeng on Monday morning he reached Hsuechow the same evening where after a wait of a few hours he boarded a well equipped night train for Tsinan and in due course reached Tsingtao Tuesday evening at 9 o'clock, having completed the journey

of...

- 3 -

of 620 miles without any undue delay in approximately 38 hours.

The informant expressed surprise at the absence of any evidence of guerrilla successes in the course of his 620 mile journey from Kaifeng to Tsingtao.

Like most of the consulate's informants, this missionary volunteered the information that the Japanese do not dominate the country but "merely occupy the lines of communication". However, it was of interest to observe that a difference arose between two missionaries in the office as to the location of the capital of Honan. In a report from Chungking dated May 16, Nanyang was referred to as the capital of the province; the two missionaries, residents of Honan, mentioned two other places which had been the capitals within recent months. If the Chinese Government dominates the rest of the province outside of the Japanese lines of communications, generally described as narrow zones, the question why the repeated removal of the provincial capital is deemed advisable suggests itself.

Another informant who arrived in Tsingtao this week made the journey from Suiping (遂平) on the Peiping-Hankow Railway. This gentleman travelled straight up the line to Hsuechang where he travelled over the same route to Kaifeng as the earlier informant, via Yushih. This missionary stated that he saw no evidence of the construction of a railway between
Kaifeng...

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

- 4 -

Kaifeng and Hsuehchang (see consulate's despatch no. 410 of May 15, 1939, file no. 800, subject: The Sino-Japanese Hostilities and Information as to the Course Thereof). His opinion was that while the crossing of the Yellow River east of Yushih did not present as formidable a problem as it did at the great Yellow River bridge north of Chengchow, yet the Japanese were facing a considerable Chinese force southwest of Yushih. Every village and hamlet had Chinese soldiers who were continually drilling and whose morale was reported to be good.

Another informant from eastern Honan stated that a Japanese force of about 800 men occupied Luyi (鹿邑) on April 25, 1939. This was the third time that the city had been occupied. The Japanese had entered in May 1938, withdrawn, and entered a second time on January 4, 1939. The last occupation was made easier by the defection of 2,000 Chinese troops who joined the Japanese forces. Questioned as to Japanese intentions in this area, the missionary stated that when the third occupation took place it was made known that there would be no withdrawal "for 20 years". Considerable Japanese troop movement southward from Shangku (商丘) station on the Lung-Hai Railway was taking place with the apparent intention of cleaning up eastern Honan and possibly crossing the Yellow River near the Anhui border.

It is of interest to note in this connection that the large Japanese force reported present in

Tsingtao...

078
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

- 5 -

Tsingtao during the first part of May (see consulate's despatch no. 408 of May 13, 1939, file no. 800, subject: Tremendous Increase in Japanese Troops in Tsingtao), left Tsingtao this week for the interior. It is hardly necessary to state with which side the sympathies of the informants lie; at the same time there was little question in their minds as to the course the hostilities and the present campaign in Honan and Hupeh was taking.

Respectfully yours,

Samuel Sokobin,
American Consul.

800
SS/CML

Original to Embassy, Peiping,
Five copies to Department of State,
Copy to Embassy, Chungking,
Copy to Embassy, Tokyo,
Copy to Consulate, Tsinan,
Copy to Consulate General, Hankow,
Copy to Consulate General, Tientsin.

A true copy of
the signed original
incd

0782
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

July 8, 1939

The Shanghai Marine Intelligence summaries for May (enclosed with Shanghai's despatch no. 2242 of June 5) include the following items of interest:

"The Japanese latest action in seizing KULANGSHU Island is interpreted here as a veiled warning to the United States against the passage of the Pittman and Coffee bills which are now pending in Congress and which if passed would cut off approximately sixty percent of Japan's war supplies". (Page 3)

The sudden withdrawal of the Japanese along the Hupeh-Honan border following their sensational advance in that area "is believed the first time during the present hostilities that the Japanese relinquished control of occupied areas". (Page 7).

793.94/15148

FE: Chase: HJM

078

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

NO. 2242

Handwritten initials: #, AMC

AMERICAN CONSULATE GENERAL,

Shanghai, June 5, 1939.

RECEIVED STATE
 DEPARTMENT OF STATE
 JUN 28 AM 11 25
 DIVISION OF
 COMMUNICATIONS
 AND RECORDS

Handwritten: A
 Division of
 FAR EASTERN AFFAIRS
 JUN 29 1939
 Department of State
Handwritten: m

SUBJECT: Intelligence Summaries for May 1939.

THE HONORABLE
 THE SECRETARY OF STATE,
 WASHINGTON.

For		To field	
Grade	For	In U.S.A.	
	M		
Stanley			

SIR:

I have the honor to refer to my despatch no. 2198
 of May 15, 1939, and to enclose, as of possible interest
 to the Department, copies of intelligence summaries
 for the month of May 1939, prepared by the Intelligence
 Officer of the United States Fourth Marines.

Respectfully yours,

Handwritten signature: C. E. Gauss
 C. E. Gauss
 American Consul General

Enclosure:
 1/- Intelligence Summaries
 for May 1939.

800
 EFS MB

In Single Copy.
Copy to Embassy, Peiping.
Copy to Embassy, Chungking.

793.94/15148

AUG 5 - 1939

FILED

F/F G

1548

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

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

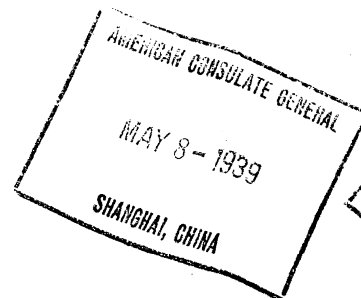
OSD letter, May 3, 1972

By 20 NARS Date 3/19/73

JSM/am

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA

6 May, 1939

RESTRICTED:R-2 REPORT, PERIOD 0800 29 APRIL, TO 0800 6 MAY, 1939.MILITARY OPERATIONS:

The Yangtze Valley witnessed but one major drive during the week. This was in the mountainous region of northeastern HUPEH. During the first of the week Japanese troops captured YINGSHAN and later in the week advanced as far as SUISIEN. This operation is believed designed to relieve the Japanese 16th Division which during March was operating along the HAN river without support. Since March nothing has been heard of this Division until this week. The Chinese forces defending this area are KIANGSI provincial troops under General Li Pin-hsien, sub-Commander of the Fifth War Zone.

The Japanese forces, both Army and Navy have been trying to close the CHEKIANG coast at NINGPO, since the 23rd of March. The Navy bombarded the protecting forts at CHENHAI for four days without apparent gain. The Army during the same week attempted to cross the river south of HANGCHOW and lost 2,000 men in two days. This week aviation subjected NINGPO to intensive bombardment. The entire waterfront along the YUNG river is reported wrecked and in flames. The Japanese attempts to destroy the industrial center has apparently been effective as most of the destruction was reported to consist of factories and godowns within the city.

The battle lines on the NANCHANG-KAOAN front have remained unchanged for the week. The Japanese claim to have advanced to CHIETSUNCHIEH, 15 kilometers west of KAOAN, but nothing has been received to confirm this report.

J. S. Monahan
 J. S. MONAHAN
 Major, U.S. Marine Corps,
 Regimental Intelligence Officer.

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

2

JSM/am

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA

13 May, 1939.

RESTRICTED:

SHANGHAI, CHINA

R-2 REPORT, PERIOD 0800 6 MAY, TO 0800 13 MAY, 1939:MILITARY OPERATIONS:

Permanent gains made by the Japanese in the YANGTZE VALLEY during the past week have been very small. The Japanese on the 12th started a drive north of HANKOW westward from the PEKING-HANKOW railway on a front extending from YINGSHAN to SIANGYANG. This drive is believed an attempt to relieve the Japanese 16th Division which during March was operating along the HAN river without support. This Division is now moving northward and in all probability will attempt to unite with Japanese forces operating west of YINGSHAN. The combined forces might readily carry out the original mission of the Japanese 13th Division by launching a drive on SIAN through the TAIHUNG valley. In any such drive the terrain is such that the full weight of the Japanese superior equipment could be brought to bear. The Japanese 13th Division has tried repeatedly all winter to capture this city, which in an important apex of the CHINO-RUSSIAN silk route, by crossing the YELLOW RIVER but has met with no success. Reports received here are to the effect that the Chinese are in doubt as to whether the attack will be directed against SIAN or ICHING and are as a result erecting fortifications at both cities.


While not in the YANGTZE VALLEY the seizure of KULANGSHU Island by the Japanese seems to have a definite bearing on the international status of SHANGHAI. The Japanese have been trying desperately to drive a wedge between Anglo-American cooperation in the far east. This attempt has apparently failed as yet to

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

3

MILITARY OPERATIONS CONT'D.

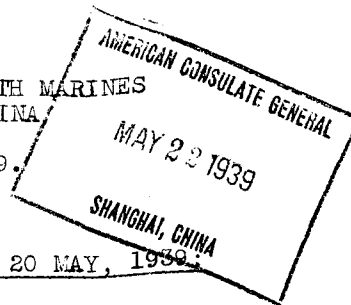
accomplish the desired results. The Japanese latest action in seizing KULANGSHU Island is interpreted here as a veiled warning to the United States against the passage of the Pittman and Coffee bills which are now pending in Congress and which if passed would cut off approximately sixty percent of Japan's war supplies. This seizure of International Property is also undoubtedly a test case to see how firm an attitude third powers will take to protect their far eastern investments.


J. S. MONAHAN
Major, U.S. Marine Corps,
Regimental Intelligence Officer.

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

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA

20 May, 1939.



RESTRICTED:

R-2 REPORT, PERIOD 0800 13 MAY, TO 0800 20 MAY, 1939.

MILITARY OPERATIONS:

This week the Yangtze Valley was the scene of the biggest Japanese advance since the drive on NANCHANG. As reported last week the Japanese 16th Division was attempting to unite with the Japanese forces. The reunion was effected during the first days of this week. The Japanese now claim to be holding territory in HUPEH province along a line extending from ANLU on the HAN river to a point midway between SIANGYANG and TSAOYANG, then fifty kilometers north of TSAOYANG and east to SINYANG in HONAN province. This weeks drive was unique for its extensive use of cavalry by the Japanese in their operations on the HONAN plains. Their advance in open country is in sharp contrast to operations in the mountainous districts as portrayed by their drive on WUNING, where they have advanced approximately two kilometers in nine weeks.

The Chinese as usual denied the Japanese advance and in turn claimed extensive victories in northern HUPEH. These claims are indefinite, merely announcing that 20,000 Japanese were killed in extensive operations and offering no further particulars to substantiate their claim.

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

5

MISCELLANEOUS:

Developments in SHANGHAI overshadowed events in the Yangtze Valley for the week. Japanese demands on the Shanghai Municipal Council for revision of the land regulation governing the International Settlement were flatly rejected and in addition the Japanese received a very sharply worded note from the United States refusing to permit any changes in the existing regulations at this time, and demanding that the Japanese return HONGKEW to active control of the Shanghai Municipal Council. While the Japanese have not answered the American note, the tenor of their press is anything but conciliatory.

On Friday of this week the French and International Settlement Police conducted raids and searches over the entire Settlement excluding HONGKEW. The American, British, French and Italian forces in addition to the Shanghai Volunteer Corps established patrols and had units in reserve to support the police.

Donn C. Hart
DONN C. HART
1st Lt. USMC

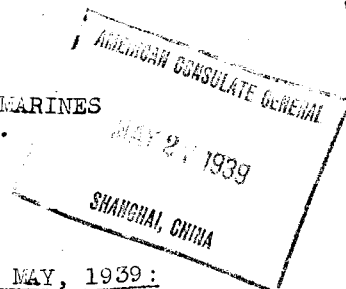
Asst. Regt'l Intelligence Officer.

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

JSM/am

HEADQUARTERS, FOURTH MARINES
 SHANGHAI, CHINA.

27 May, 1939



RESTRICTED:

R-2 REPORT, PERIOD 0800 20 MAY, TO 0800 27 MAY, 1939:

MILITARY OPERATIONS OF THE YANGTZE VALLEY:

Extensive operations are reported from the TUNGTING LAKE area. Chinese troops, who retreated westward after the fall of NANCHANG, were reported early in the week to be concentrated along the SINTSIANG RIVER about 30 kilometers southeast of YOCHOW. Commencing on the 24th Japanese forces, including Aviation and Naval units, advanced in three days to the banks of the SINTSIANG RIVER. The Chinese troops of the 25th, 60th and 195th Divisions are now reported entrenched close to the CANTON-HANKOW railway, forming a CHANGSHA first defense line. Japanese aviators report heavy Chinese reinforcements moving up to these entrenchments from CHANGSHA. The Chinese claim to have sent heavy reinforcements into the YAOUSHAN area on the HUNAN-HUPEH border. Such movements in this area are believed to be intended to divert the Japanese drive in northern HUPEH, which drive was making rapid progress across the plains toward SIANFU. Should CHANGSHA be taken by the Japanese and the battered Chinese Divisions in this area prevented from reorganizing, the Fifth War Zone, which for the past 5 months has been used as a base for counter-attacks on the WUHAN area, would lose its tactical and strategical value.

0791

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

MILITARY OPERATIONS OF THE YANGTZE VALLEY CONT'D:

The wide Japanese drive along the HUPEH-HONAN border which advanced the Japanese lines as far west as TSACYANG, as reported last week, was evacuated this week by the Japanese, who withdrew to their original positions just west of the PEKING-HANKOW railway. While no comment is offered on this action, this is believed the first time during the present hostilities that the Japanese relinquished control of occupied areas.

Donn C. Hart

DONN C. HART
1st Lt. USMC

Asst. Regt'l Intelligence Officer.

0791

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

July 7, 1939.

Amoy's despatch no. 27 of May 25, in response to the Department's instructions, reports conditions in the Japanese occupied areas (Amoy and Quemoy) as follows:

1. Financial Conditions - The Japanese blockade of the Chinese controlled mainland has caused a virtual cessation of foreign import and export trade and all business except petty local trade, and has made it difficult for the Japanese to raise taxes for local administrative purposes.

2. Guerrilla Warfare - Guerrilla warfare has not been organized in southern Fukien.

3. Rehabilitation work - The Japanese have done nothing.

4. Japanese Control over Occupied Areas - The Japanese maintain absolute control through puppet organizations made up of Chinese non-entities.

5. Communications - There has been no road construction. The Imperial Japanese Telegraphs maintains communication with other than Chinese controlled areas. Incoming and outgoing cargo and passengers are negligible and are allowed to be carried on Japanese vessels only.

6. Public Utilities - As usual the Japanese have appropriated privately owned Chinese concerns, dispensing a minority interest therein to their Chinese puppets.

FE:Chase:JPS

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

NO. 27.

AMERICAN CONSULATE

Amoy, China, May 25, 1939.

1939 JUN 28 PM 12 04

COPIES SENT TO
COMMUNICATIONS
AND RECORDS
ON 1 AND 21.0

Division of
FAR EASTERN AFFAIRS
JUN 29 1939
Department of State

SUBJECT: Summary of Conditions in the Japanese
Occupied Areas in the Amoy Consular
District.

THE HONORABLE

THE SECRETARY OF STATE.

WASHINGTON.

SIR:

I have the honor to transmit, for the information
of the Department, a copy of my despatch to the Embassy
at Peiping, dated May 25, 1939, Subject: "Summary of
Conditions in the Japanese Occupied Areas in the Amoy
Consular District".

Respectfully yours,

K. deG. MacVitty
American Consul

Enclosure:

Copy of despatch to Embassy at Peiping,
dated May 25, 1939.

800
LCA/O

Transmitted in quintuplicate (one copy marked "For
the files of the Commercial Office").

793.94/15149

AUG 5 - 1939

F/HG 15-49

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

No. 13.

AMERICAN CONSULATE,

Amoy, China, May 25, 1939.

Subject: Summary of Conditions in the Japanese
Occupied Areas in the Amoy Consular
District.

The Honorable

Nelson Trusler Johnson,
American Ambassador,
Peiping, China.

Sir:

I have the honor to refer to the Embassy's radio telegram of May 15, 2 p.m., and to report on the following aspects of the situation in the Japanese occupied areas in this Consular district, in accordance with the Department's instruction.

1. Financial Conditions.

The primary objects of the Japanese Naval Forces in occupying Amoy and Quemoy were to establish a base for naval operations.

Since the occupation of these areas in May, 1938, the principal activities of the Amoy Naval Landing Force have been directed toward the blockade of the Chinese mainland surrounding this port and the Fukien coast. Whether intentional or not, this blockade has had the effect of largely cutting off the import and export trade of South Fukien and European and American trading concerns in Kulangsu from their Chinese markets. In accomplishing this object, the Japanese have dried up
all

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

- 2 -

all business, except petty local trading in their own area of occupation, that is, Amoy and Quemoy. Practically all Chinese business men of importance abandoned their business interests and property and left this district at the time of the Japanese occupation. Many Chinese petty shopkeepers returned to Amoy after the occupation, but most of them did so with the idea of smuggling their stocks of goods to Kulangsu and transferring their business to the Settlement. With a population of about 25,000 Chinese in poor or destitute condition, the Japanese have found it difficult to raise sufficient local taxes for local administrative purposes in Amoy.

2. Developments in Guerrilla Warfare.

As far as can be ascertained, no Chinese Guerrilla units have so far operated in South Fukien. However, Guerrilla methods were used by 300 men of the 80th Division of the Chinese army who crossed from the mainland to the Japanese occupied island of Quemoy in junks on April 21st, at 5 p.m., under cover of the fog, and surprised the small garrison, killing 20 Japanese marines, 100 Formosan militia and about 60 Chinese officials of the Peace Maintenance Committee at Quemoy.

3. Rehabilitation Work.

The Consulate has ascertained that neither the Japanese controlled governments nor the Japanese authorities have ever undertaken any rehabilitation work for poor or destitute Chinese in the Japanese occupied areas in this Consular district.

4.

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

- 3 -

4. Japanese Control Over Occupied Areas.

The Amoy Japanese Naval Landing Force maintains absolute control of the occupied areas in this district through puppet governments known as the Amoy and Quemoy Peace Maintenance Committees. The Amoy Committee is composed of a Chairman, Chief Secretary, Chief of Police, Finance Secretary and Chief Judge of the Amoy Court. The Japanese authorities exerted considerable pressure on the few responsible and respected Chinese citizens living in Kulangsu to serve as officials in the puppet government in Amoy, but these individuals left the Settlement, as they knew that they would be under constant threat of arrest and detention if they refused to accept office. The present Commissioner of Customs is a Danish citizen. Although he is nominally responsible to the Chinese Maritime Customs, he is in fact under the absolute control of the Japanese Naval Landing Force in Amoy.

5. Communications.

As far as can be ascertained, the present road mileage is the same as that existing at the time of the Japanese occupation of Amoy and Quemoy. The Imperial Japanese Telegraphs maintains communication between Amoy and other Japanese occupied areas in China, and also with other parts of the world. A telephone system serves Amoy and telephonic communication is maintained between Amoy and Kulangsu. Only ships of the Mitsui Bussan Kaisha and the Osaka Shosen Kaisha Shipping Companies are allowed to carry cargo
 and

796

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

- 4 -

and passengers from and to Amoy and Quemoy. Incoming and outgoing cargo and passengers carried by these lines to this port are negligible.

6. Public Utilities.

The Amoy Electric Light and Power Company, the Amoy Water Works Company and the Amoy Telephone Company were all privately owned Chinese concerns before the Japanese occupation. The Chinese directors of these concerns and most of the shareholders left Amoy after the Japanese occupation and abandoned their interests in these concerns. The Japanese Naval Authorities seized these companies and operated them on a much reduced scale with native personnel supervised by Japanese Formosan engineers, imported for that purpose. However, in a notification dated April 5, 1939, it was stated that the power company and the waterworks are still operated as private concerns, but that the companies were reorganized; the Amoy City Electric Light Company with a capitalization of Y800,000 and the Amoy City Water Works Company capitalized at Y1,800,000. The Japanese are to hold a controlling interest in each concern and Chinese in Amoy considered worthy henchmen of the new regime are awarded the balance of the shares. It has been announced that the Peace Maintenance Committee is to represent shareholders and directors in the old companies.

Respectfully yours,

K. deG. MacVitty
American Consul

800
LCA/O

N.H.G.

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279
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

- 5 -

Original to Embassy, Peiping.

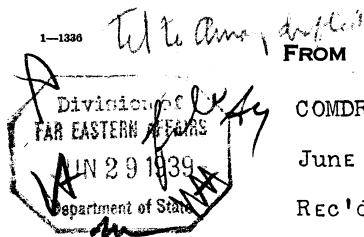
Copy to Embassy, Chungking.

Five copies to Department of State (one copy marked
"For the files of the Commercial Office"), with
despatch No. 27 of May 25, 1939.

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

TELEGRAM RECEIVED

JR



COMDRINCHIEF ASIATIC FLEET

June 28, 1939

Rec'd 5:27 p.m.

Secretary of State,
 Washington.

792-98 /15143

0028. Your 0027 2359 approved 0945.

DDM

793.94/15150

F/HQ

0799

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

TELEGRAM RECEIVED

1-1336

FROM

JR

This telegram must be
closely paraphrased be-
fore being communicated
to anyone.

COMSOPAT

June 29, 1939

Rec'd 9:15 a.m.

ACTION: CINCAF

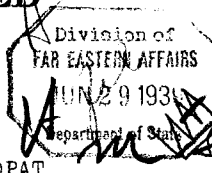
793.94

INFO: COM'DESRON FIVE
COMYANGPAT
USS ASHEVILLE
USS MINDANAO
USS TULSA
USS POPE
USS PILLSBURY

PASSED TO OPNAV BY CINCAF FOR INFO

0029. Have letter delivered Senior Officer present
Nipponese navy refusing abide provisions correspondence
handed DD 227 (USS PILLSBURY) Tuesday X notice given
when deemed desirable meet needs Americans unit shall go
Min River likewise liability on Japs in case meddling,
casualty due their action. 0020.

HPD



793.94/15151

F/FG

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

TELEGRAM RECEIVED

EG

This message ¹⁻¹³²⁶ must be closely paraphrased before being communicated to anyone. (Br)

FROM

Hankow via N. R.

Dated June 29, 1939

PARAPHRASE

Rec'd 9:45 a.m.

Secretary of State,

Washington.

148, June 29, 4 p.m.

My 139, June 20, 5 p.m.

Further reports have been received of Japanese officers and men declining to assume the offensive or returning here without orders. Some it is maintained have been segregated and exhorted and subsequently transferred eastward. Units of the 12th and 13th divisions as well as the 11th are said to be affected.

In this connection it is perhaps significant that during June the Japanese have shown no aggressive disposition in Central China.

Because of reduced Japanese strength resulting from many losses and this month's transfers an offensive on Shasi in early July is now believed to be unlikely unless reinforcements arrive very soon.

Repeated to Chungking, Paiping, Shanghai.

JARVIS

RR:DDM

793.94/15152

F/FG

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

CONFIDENTIAL

(Confidential)

P A R A P H R A S E

A telegram (no. 148) of June 29, 1939, from the American Consulate General at Hankow reads substantially as follows:

There may be some significance, in connection with reports of disaffection among Japanese troops, ^{in the fact} that no disposition to be aggressive in central China has been exhibited by the Japanese during this month. There have been additional reports of Japanese soldiers and officers refusing to assume the offensive or coming back to Hankow without orders. It is claimed that some of these Japanese have been segregated, warned, and transferred to the east later on. Affected troops are reportedly units of the 11th, 12th and 13th divisions. Unless reinforcements come very shortly, it is now thought improbable that there will be an offensive on Shasi in the early part of next month in view of the reduced strength of the Japanese consequent to this month's transfers and many losses.

793.94/15152

E.G.C.
 FE:EGC:JPS
 6-30

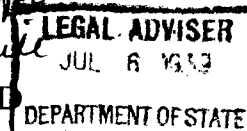
ASW
 FE

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

TELEGRAM RECEIVED

AC

GRAY



Foochow via N. R.

FROM

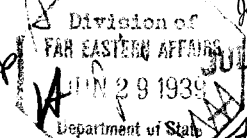
Dated June 29, 1939

Rec'd 9:39 a.m.

Secretary of State

Washington

COPIES SENT TO
O.N.I. AND W.I.R.



June 29, 10 a.m.

793.94
note
393.11.2
June 3

Foochow continues quiet. About half the normal population have evacuated to the interior, and only a few small shops remain open in the city today, the rest having moved up river with their stocks. Contact with the Provincial Government continues possible through two resident representatives. Most of the staff of the Salt Administration has removed to Kung-chang, near Yungan, other administrative officers of the Government having left earlier. The alarm has sounded once this morning but no planes have as yet appeared.

It is reported here from a Chinese source which may not be reliable that the Japanese troops who occupied Sharp Peak on June 27th took over one or more American owned buildings to use as barracks. The property indicated is probably that of the Christian Herald Industrial Mission which used it principally as a summer home for its orphanage. It was vacant at the time of the Japanese landing and I am informed

by the

793.94/15153

F/FG

080
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Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

- 2 - June 29, 10 a.m., from Foochow

by the Mission's representative that it was not (repeat not) marked by flags or proclamations to show its American ownership. The Consulate has at present no means of investigating this report, all communication with Sharp Peak being now cut.

Father Hyde of the American Dominican Mission at Kiennow ~~was~~ on June 25th the property of that mission was damaged to the extent of \$5,000 Chinese dollars. He is now being instructed to submit a detailed claim, and it is requested that Shanghai transmit a preliminary statement of the fact of the damage to the Japanese authorities there.

Sent to Peiping, Chungking, Shanghai.

WARD

RR:WWC

(*) Apparent omission

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

EDA

1-1336

FROM

GRAY

FOOCHOW VIA N.R.

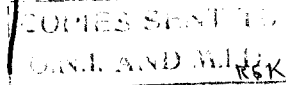
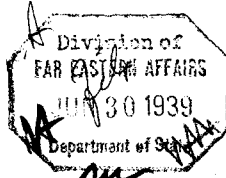
Dated June 30, 1939

Received 3 a.m.

Secretary of State

Washington

June 30, 10 a.m.



793.94

Tension increased sharply in Foochow yesterday evening with the widespread circulation of reports that the city was to be attacked during the night. Large numbers of the remaining populace streamed out of the city, river boats being over crowded or unavailable, and all transport facilities exhausted. British subjects have been concentrated in their consulate compound, and the British consul is holding a meeting this morning to discuss further plans of evacuation.

The air raid alarm sounded at 8:50 this morning and 7 Japanese planes have been sighted over (?), but none has as yet reached Foochow.

Sent to Peiping, repeated to Chungking and Shanghai.

WARD

RR

793.94/15154

F/FG

0805
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Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

✓
TELEGRAM RECEIVED

JR

This telegram must be
closely paraphrased be-
fore being communicated
to anyone.

FROM USS PILLSBURY

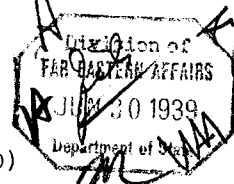
June 30, 1939

Rec'd 2 p.m.

ACTION: CINCAF

INFO: COMSOPAT

USS POPE (PASSED TO OPNAV FOR INFO)



793.94

0029. Two more transports arrived which unloaded
mostly supplies, horses and about 1000 troops. The
postmaster states that there will be mail service in a
few days after the arrival of the censor. Apparently
soldiers have been carefully instructed to avoid bothering
our nationals, authorities continue to show proper respect
to United States rights and property but are not so
cordial to British, the latter very much disturbed
regarding general situation in China. 20,000
reinforcements rumored en route Chaochowfu area.
Yesterday the H.M.S. SCOUT brought in passengers from
2 ships which remained outside. Business of local
Americans is at a standstill but otherwise no
difficulties, conditions still quiet in city. 0403.

HPD

793.94/15155

F/FG

080F

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

793.94

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Shanghai/127 FOR #2174

FROM Shanghai (Gauss) DATED May 4, 1939.
TO NAME 1-1127 ***

REGARDING: Sino-Japanese relations: developments of month of April, 1939.

FRG.

793.94 / 15156

15156

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

3. JAPAN

(a) Military Operations. No important military operations were undertaken by the Japanese during the month. However, Japanese naval units intermittently bombarded the forts guarding the approaches to Ningpo and Tientsin in southern Chekiang. These two ports were also subjected to aerial bombings which destroyed sections of the business districts and resulted in the killing and wounding of several hundred civilians. These activities resulted in the partial closure by the Chinese authorities of the ports of Ningpo and Tientsin. Other cities in southern Chekiang, notably Fuzhou where many of the important Chinese officials connected with the Chekiang Provincial Government reside, were bombed. However, the Japanese made no serious attempt to land troops in southern Chekiang or to occupy this area.

Japanese

793.94
 (pg 9-11)

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 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

-10-

Japanese forces in the lower Yangtze delta area were fully occupied during the month in beating off strong guerrilla attacks. Although the much publicized Chinese "April offensive" did not result in any large scale Chinese military operations in the area mentioned, according to reports received from reliable sources, Chinese guerrillas were unusually active, particularly in the districts north of Hangchow and along the north bank of the Yangtze River between Shanghai and Chinkiang.

c. Relations of a General International Character.

(a) Foreign Naval Vessels Proceed to Hankow. By special arrangement between the foreign naval authorities at Shanghai and the Japanese naval authorities, a number of American, British and French naval vessels proceeded to Hankow about the middle of April. These vessels carried foreigners desiring to return to Hankow, naval replacements and a considerable quantity of supplies and provisions. This movement of foreign naval vessels between Shanghai and Hankow was the first in many months and was arranged by the foreign naval authorities with considerable difficulty in view of numerous restrictions and requirements laid down by the Japanese naval authorities. During the course of discussions between the foreign and Japanese naval authorities concerning this matter, the Japanese naval representative is reported to have made the interesting statement that the Yangtze River would not be reopened until the fall of the "Chiang Kai-shek regime."

(b) Japanese Restrictions upon Third Party Rights and Interests. In general there was little improvement

in

0809

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

-11-

in regard to Japanese restrictions upon the rights and interests of third party nationals. The Yangtze River remained closed to foreign commercial shipping and foreign trade with Japanese controlled areas could only be carried on through Japanese middlemen and was virtually prohibited where it conflicted with Japanese trade and economic policies.

However, it must be recorded that in Shanghai the Japanese announced the rescinding of the requirement heretofore in force that foreign cargo moved from the northern areas to points south of Hoochow Creek must be covered by a Japanese permit. This modification provided for the free movement of cargo, as from April 1954, except in the case of firearms, munitions, bricks and metals. It is believed that the action taken by the Japanese authorities was connected with the progress being made in regard to Japanese desires for increased representation in the Settlement's police administration and was intended to be a responsive gesture.

0811

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

FT

TELEGRAM RECEIVED

MG

1-1326

FROM

GRAY

Foochow via N.R.

Dated July 1, 1939

Rec'd 7:38 p.m.

Division of
Far Eastern Affairs
JUL 1 1939
Department of State
NA 15154
Secretary of State, COPIES SENT TO
WASHINGTON
793.94

July 1, 11 a.m.

My June 30, 10 a.m.

The Japanese planes sighted over Mamoi are stated to have flown inland over Futsing and Mintsing and to have dropped about eight bombs on Putien. Two planes appeared over Foochow yesterday afternoon on a reconnaissance flight. None have come this morning, although the alarm has sounded twice.

The Chinese naval office reports that four more Japanese transports have arrived off Sharp Peak, bringing the total number of Japanese craft now at the mouth of the river up to fourteen or fifteen. It is widely rumored in the city that the Japanese are determined to take it on or before July 7, the anniversary of Lukouchiao.

Sent to Peiping. Repeated to the Department, Chungking and Shanghai.

EMB ROW

WARD

793.94/15157

F /FG

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

TELEGRAM RECEIVED

AC

GRAY

1-1336

FROM

Tsingtao via N.R.

Dated July 1, 1939

Rec'd 6:25 p.m.

Secretary of State

Washington

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

147. July 1, 11 a.m.

793.94

Considerable unrest prevailing among Chinese between ages 16 and 25 because of rumors that Japanese propose conscription for military service. Rumors denied by Japanese adviser to Police Bureau who states that purpose of notification given shop employees is to explain to them the significance of the reconstruction of a new China. Reports indicate that a number of Chinese attempting to leave city were prevented from so doing yesterday.

Repeated to Chungking, Peiping. By mail to Tokyo.

SOKOBIN

RR

793.94/15158

F/FG

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

TELEGRAM RECEIVED

AC

GRAY

1-1336

FROM

Tsinanfu via Tsingtao
and N.R.

Dated June 29, 1939

Rec'd 7:45 p.m., July 1

Secretary of State

Washington

41, June 29, 10 a.m.

One. Japanese claim Chinese troops referred to

in my telegram No. 38 continue to be pressed by
Japanese forces; that such pressure, coupled with
the difficulties being encountered in smuggling
food supplies through the Japanese lines which par-
tially encircle them, is carrying defection and dis-
sension in the Chinese ranks and that the successful
conclusion of the Japanese campaign in southern
Shantung is only a matter of time (SEE my telegram
number 31).

Two. Japanese also announce capture of Hung-
ying thirty miles northeast of Chuhsien where General
Miao's headquarters had been temporarily established
on June 24th and that General Hsu Hung commanding
114th division of 51st army was killed in an engage-
ment on the same day.

Repeated to Chungking. Mailed to Peiping and
Tsingtao.

RR

HAWTHORNE

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793.94 / 15159

F/FG

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

file LEGAL ADVISER
 JUL 7 1939

TELEGRAM RECEIVED

DEPARTMENT OF STATE

AC

GRAY

1-1336

FROM

Foochow via N.R.

Dated July 2, 1939

Rec'd 10 a.m.

Secretary of State

Washington

July 2, 2 p.m.

ASIAN AFFAIRS
 JUL 2 1939
 M. [initials]

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

793.94
 1164 Union
 High School

It is reliably reported 40 Japanese landed at
 Asiaochang Peninsula above Lienkang at 8 o'clock
 this morning, while six Japanese planes bombed Lien-
 kang and another bombed Changmen forts. Two planes
 have reconnoitered Foochow area this morning without
 bombing.

Methodist missionaries representative states
 that Union High School building cost approximately
 47,000 Chinese dollars to erect when exchange was
 2/50; that replacement would cost almost twice as
 much; that this estimate does not include school
 equipment, et cetera.

Sent to Peiping, repeated to Chungking, Shanghai.

WARD

KLP

793.94/15160

F/FG

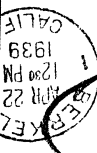
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
 Department of State letter, August 10, 1972
 By Milton O. Gustafson NARS, Date 12-18-75

Chakofin
 UNIVERSITY OF CALIFORNIA
 DEPARTMENT OF ZOOLOGY
 BERKELEY, CALIFORNIA



Hon. Cordell Hull
State Dept

Washington
DC



FE

Personal

MICROCOPY

976

ROLL

61

END

