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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 91

1940-44

793.94/15850-16099
Apr.-Aug. 1940



**THE NATIONAL ARCHIVES
NATIONAL ARCHIVES AND RECORDS SERVICE
GENERAL SERVICES ADMINISTRATION**

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.

NATIONAL ARCHIVES MICROFILM PUBLICATIONS

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.

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NATIONAL ARCHIVES MICROFILM PUBLICATIONS

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.

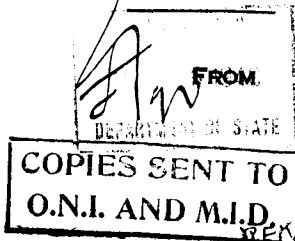
In Records of the Foreign Service Posts of the Department of State, Record Group 84, are records originally kept at U.S. diplomatic and consular posts. Among these are records of the U.S. Legation (later Embassy) in China, 1843-1945, and of the U.S. Legation (later Embassy) in Japan, 1855-1936, as well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

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

For further distribution
if any

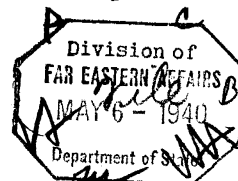


GRAY

Shanghai via N. R.

Dated May 4, 1940

Rec'd 12:45 p.m.



Secretary of State,
Washington.

389, May 4, 4 p.m. 793.94/12063
Shanghai's 63, January 12, noon, 1938.

The Japanese Consul General informed the Senior Consul under date May 3 that the Japanese naval authorities were about to lift as of May 15 the present restrictions on navigation through the Nantao boom and to reopen the upper part of the Shanghai harbor above the boom under certain specified conditions. The use of third power wharves godowns located in the reopened area will be permitted "so far as the military necessities of the Japanese forces permit". President Line ships will be unable to pass the boom because of draft restrictions.

The boom was constructed by the Chinese forces in August 1937.

Repeated to Peiping, Chungking. By air mail to Tokyo.

BUTRICK

CSB

793.94/15850

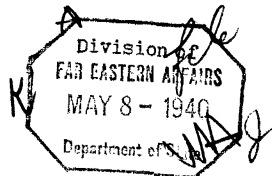
F/FG

NO. 3013

AMERICAN CONSULATE GENERAL,

Shanghai, April 3, 1940.

Confidential



SUBJECT: Intelligence Summaries for
Month of March 1940.

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

SIR:

I have the honor to refer to my despatch no.
2928 of February 27, 1940, and to enclose, as of
possible interest to the Department, copies of
intelligence summaries for the month of March 1940,
prepared by the Intelligence Officer of the United
States Fourth Marines.

Respectfully yours,

Richard P. Butrick
Richard P. Butrick
American Consul

Enclosure:

1/- Intelligence Summaries for
month of March 1940.

800
EC MB

In Single Copy

Copy to Embassy, Peiping.

Copy to Embassy, Chungking.

793.94/15851

F/FG

JUN 4 - 1940
FILED

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA


2 March 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

24 February to 2 March 1940

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H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. SHANGHAI:

A. Proposed Fruit and Vegetable Market in Chapei.

In the report of 27 January, 1940, plans for a proposed Japanese fruit and vegetable market in Chapei were discussed. At that time the British said that no action could be taken on the opening of their perimeter wire on North Thibet Road (Yu Ya Ching Road) until the return of Major-General Simmons from North China.

On 27 February, 1940, the British and the Japanese Naval Landing Party had another conference and an agreement was reached on the following points:

1. Exactly how the perimeter wire opposite the entrance to the market was to be moved.

2. The need for a neutral zone between the proposed Japanese and British posts was discussed and an agreement reached that the Shanghai Municipal Police should function up to the market entrance.

3. The Japanese do not wish to place a military post on the main gate but will exercise rigid control around the market on three sides with sentries at the rear entrance.

4. The Japanese stated they would inform the Shanghai City Government that their police were not to enter the British Sector at any time.

5. The Japanese appreciated and understood the right reserved by the British Commander to close the wire at any time should he consider such action necessary.

6. The British Military agreed to open the wire two days before the date selected for the official opening of the market, which date is not known as yet.

7. The British spokesman said that the British Commander hoped that the opening of this market would not increase the

price of vegetables and thereby make life more difficult for the impoverished Chinese. The Japanese spokesman said he thought it would certainly not make things worse, and that the Japanese Naval Landing Party had the interests of the general public very much at heart.

II. MILITARY.

A. (Map).

B. Explanation of Map.

The accompanying map shows the extent of Japanese penetration into China. These lines are plotted from information gathered by this office from several sources, and though they may not be correct as to small details they are in general a good indication of the Japanese progress in China.

According to a source considered to be reliable the shaded areas are still under Chinese control. The shaded area in Kiangsu has never been penetrated by the Japanese, according to reports.

There are recent newspaper reports of the annihilation of the Chinese Eighth Route Army in Hopoh. This army consists of five divisions of from 10 to 12 thousand men each. However more accurate reports would indicate that this army is situated in Northern Shensi with headquarters at Fushih. Here they train and supply guerillas to carry on guerilla activities in the three organized guerilla zones in Shansi and Hopoh. It seems more logical to believe that rather than the Eighth Route Army, the Japanese have annihilated an Eighth Route Army trained guerilla band.

The Fourth Route Army, which is trained on the same principles as the Eighth, operates in the Wuhu, Nanking, Chinkiang area and has headquarters at a small town about

half way between Hweichih and Hweichow in Anhwei. This army also trains and supplies guerillas to carry on their activities in this area.

Reports from the Nanning area are indefinite, conflicting and not reliable. The Japanese are believed to still be in control of Nanning, but how far north of the city they have their lines is hard to determine. One report has the fighting one mile from the center of the city. It is likely that thirty miles would be more accurate.

It is reported that the Japanese are carrying on extensive developments on the island of Hainan, but just of what these developments consist is not known as yet.

In the Canton area the Japanese seem content to hold what they have.

It is suggested that the accompanying map be kept for reference. As changes occur they will be mentioned in the report, and the necessary changes can then be made on each map.

C. Nanning.

Chinese sources claim additional Japanese losses in the area near Pingyang, as they carried out mopping up operations in and around this city. Japanese casualties were said to number several thousand. Heavy fighting is reported continuing between Nanning and Wuming.

Chinese have refuted the Japanese assertion that the Japanese Army was making a triumphant return to the Nanning base after dealing a heavy blow to the Chinese forces. The military spokesman stated that the Chinese had anticipated the Japanese attack and by disposing defenders advantageously had allowed the Japanese forces to penetrate terrain favorable to the Chinese and had then launched a successful

counter blow.

Chinese military circles say that the Japanese tactics in the Kwangsi offensive are evidently an attempt to carry out the procedure of the Germans in conquering Poland. The Japanese attack was said to be characterized by simultaneous dispatch in different directions of a number of mechanized columns heavily supported by aircraft and evidently intended to cut up and demoralize the Chinese in a few days quick-paced fighting. The Chinese claim that the tactics failed. The Chinese army facing the Japanese near Nanning is said to be largely made up of veterans. The Chinese divisions are stated to have held their ground and then responded to the order for a counter-offensive which proved successful. The Japanese were said to have decided to withdraw when they saw operations were not gaining the success hoped for.

A French report states that the Japanese attacked Chinese troops near Kunlungwan Pass, northeast of Nanning on the 26th of February. The Chinese were said to be falling back toward Pingyang, pursued by Japanese aircraft. The same report stated that the Japanese have occupied Shangsze, southwest of Nanning.

D. Suiyuan.

According to a Chinese source, fighting in sub-zero weather is reported proceeding in the snow-covered Mongolian plains of western Suiyuan where the Japanese had advanced toward Ningsia. Chinese forces based at Wolf Mountain, northwest of Wuyuan, have been attacking the Japanese near Wuyuan and Linho. The Chinese are guarding against Japanese capture of Tengkow, in northeast Ningsia, historic "Gateway Province".

A French report dated the 28th of February states that the Japanese have evacuated Linho and are retreating toward Paotow.

E. Guerilla Activities.

From sources considered to be reliable it is reported that Japanese forces, after occupying Langki, in Anhwei, have continued their operations against Chinese guerillas entrenched in the region near the Kiangsu border, northeast of Wuhu. The Japanese occupied Liyang on the Hangchow-Nanking route on the 24th of February, the report stated.

To the southwest of Wuhu, the Japanese occupied Fanchang on the 22nd of February but they evacuated on the 23rd, after destroying stocks of military supplies.

There have arrived in Chefoo from the west, forty-four truck loads of Japanese soldiers and their equipment, including guns, field pieces, bedding, tentage, etc., and they have taken up a position on the public recreation grounds south of the city. It appears to be part of the large force of Japanese which started out in December to clean out the guerillas from east Shantung. According to reliable Chinese sources it seems that they got the worst of the fighting and were forced into a disastrous retreat. They have had to withdraw from the two large cities they took last fall, Lai Yang Hsien and Chi Hsia Hsien. Most of the Manchoukuan troops which were with them are said to have been lost. The heavy snows of late January and the intense colds were a great handicap to the Japanese, and on February 12th there was another five-inch fall of heavy wet snow which isolated any of the outposts the Japanese may have left out in the country.

HNS/eaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA.

9 March, 1940.

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

2 March to 9 March, 1940.

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H. N. Stent
H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. WESTERN DISTRICT.

A. Situation in Western District During February.

On February 16, the Shanghai Municipal Council and the Shanghai City Government signed a "modus Vivendi" providing for the joint organization of a Special Police Force to police the extra-Settlement Roads Area in the Western District.

On February 20, the following offices of the "Peace National Salvation Army" and the "Peace National Construction Army", both armed units of the Wang Ching-wei clique, were abolished:

1. Recruiting Office of the 1st Column of the 4th Route of the Peace National Salvation Army at no. 7, Loo Sih Zah, Brennan Road, O.O.L.

2. Headquarters of the 4th Route of the Peace National Salvation Army at no. 145, Fah Hwa Tseng Road, Fah Hwa Village.

3. Office of the Garrison Regiment of the 4th Route of the Peace National Salvation Army at no. 153, Fah Hwa Tseng Road, Fah Hwa Village.

4. Office of the 2nd Column of the Peace National Reconstruction Army at Shun Ka Temple, West Tsu An Pang, off Edinburgh Road, O.O.L.

The two Armies, however, continued to maintain throughout the month, their recruiting offices at 76 Jessfield Road and 116 Great Western Road respectively.

Only one case of illegal functioning was reported in the Western District during February. The particulars are as follows:

At 11:30 p.m. on February 23, 1940, three officials of the Finance Bureau of the "Shanghai City Government",

92 Jessfield Road, visited the United Chemical Industries, Fed. Inc. U.S.A., 220/222 Penang Road, O.O.L., and attempted to collect taxes from the concern. They left, however, upon the arrival of the Municipal Police shortly afterwards.

B. Gambling Dens in Western District - Present Situation.

The gambling dens in the Western District, which were scheduled to close down at the end of February, in accordance with a reorganization scheme, have been informed that the scheme will be postponed for some time.

According to confidential information, the Shanghai Amusement Supervision Department will withdraw the licenses of all gambling dens in the Western District on March 10th or 20th, when the affairs pertaining to the control of the establishments are supposed to be handed over to the Wang Ching-wei administration. In view of the agitation against their closing down, the new controlling organ is reported to be willing to permit the gambling dens to carry on until May 31st, 1940, but will increase the fees by more than 30% and demand payment of the same in advance in a lump sum. By this method, it is expected that the smaller gambling dens will be compelled to close down, due to their inability to make such a large payment.

It is noted that the Japanese and puppet authorities spread reports of the proposed closing of gambling dens just before the signing of the agreement for the creation of a special police force in the extra-Settlement roads area in the Western District.

According to newspaper reports, revenue amounting to about \$1,000,000.00 is collected by the Japanese from these gambling dens every month. This money is used by the military forces.

C. Opium Business in the Western District.

It has been reported that the proposed Wang Ching-wei administration which will take over the monopoly of opium in Central China from the Japanese Authorities, has appointed Tsang Ping Huel as Chief of the "Opium Suppression Bureau" to take charge of the monopoly. Tsang was formerly a sectional Chief of the Bureau of Social Affairs of the Shanghai City Government (now defunct) and became vice-Minister of the Ministry of Interior of the Reformed Government in September, 1938.

It is reported that Zang Lao Sz, a well known figure in the Opium business in Shanghai, has successfully approached Tsang and has been promised by the latter the contract for the sale of opium in Shanghai. Lan Chi Sung, Chairman of the Opium Hong Guild, 52 Kong Foh Li, Brenan Road, who is in charge of the distribution of opium in the Western District and who has been making every possible endeavour to retain the privilege, will be placed under Zang Lao Sz as his assistant.

All the opium honges in the Western District are doing business through half-open doors as they are expecting a reorganization.

II. MISCELLANEOUS.

A. The Central Mint in Chapei.

In the report of 24 February it was stated that the conversion of the Central Mint in Chapei and the neighboring Dah Lok Iron Works into an arsenal would commence by the end of February.

Recent information states that the work on the Dah Lok Iron Works commenced on March 3, with a complement of 80 Japanese and 160 Chinese workers. The conversion of the Central Mint will commence on the 15th of March.

B. Commandeering in Taipei.

According to many unconfirmed reports, an unascertained number of Chinese have been arrested by the Japanese since the re-opening of the Hongkew district. Some reports state that these men have been released after questioning, while other sources say that they have been shipped to Formosa to take care of a labor shortage existing there.

Despite emphatic denials by the Japanese Naval Landing Party, these rumors persist and every day more kidnapping cases are reported.

The SMP has only two definite cases of missing people. At present the whole affair is in the hands of the Commissioner of Police and his intended plan of action has not as yet been made known.

C. Nantao Japanese Garrison Headquarters.

Some 300 Japanese soldiers and officers who were garrisoned in the Van Tsoh Primary School, Van Tsoh Ka, in the Refugee Zone, Nantao, moved on the morning of March 2, 1940, together with their personal effects and equipment which includes 5 light tanks, to the Chi Yung Bih Zuh, Lane 812, Chung Hwa Road.

A rectangular wooden sign bearing the name "Nantao Japanese Garrison Headquarters" is now displayed outside a house situated opposite the former Nantao Telephone Company (Chinese), Chung Hwa Road near Kuo Lung Road and a Japanese sentry is posted outside the building.

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA


16 March 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

9 March to 16 March, 1940

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H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. MILITARY.

A. Hainan.

According to a report from a source which should be competent to judge, the Japanese are intending to make a second "Formosa" of the island of Hainan. The city of Hoihow has been transformed into an armed camp and an aerodrome capable of accomodating about two hundred airplanes has been completed. This source did not know any details concerning a naval base although one was apparently being developed.

It is reported that, except for the occupation of principal points along the coast, there has been a lack of results registered by the Japanese. The conduct of the Imperial armies is a contradiction of the Nipponese proclamations of a "New Order in East Asia" and "Brotherhood of the Race". The evidence indicates that the conquest of the island could have been completed in a few weeks if the Japanese had not maltreated the population in a barbaric manner.

The Chinese generals Wang Y and Ou Tao Nan have been successful in reorganizing a regular Hainanese army composed of three brigades.

A report from another source states that Japanese Army and Naval Landing Party troops commenced mopping-up operations on a large scale on the 4th of March. As a result of these operations, the following localities have been occupied by the Japanese: Loki, Wangwu, and Heitai, in the northeast part of the island; Modon, in the northwest; Wenya, 150 kilometers southwest of Lingshui, in the southeast; and Paoting, 50 kilometers north of Yling, in the south. Other detachments made progress in the valley of the Nantu (Golden) River which flows to the north and has its outlet near Hoihow.

B. Kwangtung.

The Japanese resumed operations in the area near the island of Chungshan. On the 8th of March, they occupied Shekki (Chungshan), birthplace of the late Dr. Sun Yat Sen.

The operation was conducted by infantry and troops of the Naval Landing Party which debarked on the 5th of March near Tongka (Tangkiawan) and Heungchau (Hsiangchow), north of Macao.

On the 7th of March Japanese troops attacked Chinese in the Chaochow-Swato region. On the 8th a Japanese column occupied Shantow, 18 kilometers southwest of Chaochow. On the same day another column reached Tengkang, 25 kilometers northwest of Yimpo.

C. Shansi.

Numerous skirmishes between Japanese forces and Chinese irregulars have been reported in Shansi. In the southwest of the province guerrilla activity has been much in evidence near the towns of Fowshan, Tsishan, Sinkiang and Anyi.

Engagements were reported with guerrillas near Puhsien, north of the Fen River.

II. AMERICAN SECTOR.

A. Gambling Dens in the American Sector.

There have been gambling dens in the American Sector for some time, but until recently these dens, with the exception of the Asia Club, were small and catered to small groups, keeping their activities well screened.

Now it has come to our attention that two new elaborate gambling houses are being prepared for grand openings. These, together with the Asia Club, which has been operating since the fall of 1938, will make a total of three large gambling establishments operating openly in the American Sector.

It has been learned from a source known to be reliable, that these houses are operated by a combine of Japanese and Chinese backed by certain members of the Special Service Section of the Japanese Army. The Japanese have assured the Chinese, who are putting up the money, of protection against the Municipal Authorities in return for monetary considerations.

It is believed that the reasons behind this effort to openly establish gambling houses in the American Sector are that the gambling houses in the Western District are not as profitable as they might be since many of the wealthy Chinese clientele who reside in the Settlement or the Concession do not care to venture out to the "bad-lands" to indulge in gambling; that it would not be necessary to pay for protection within the Settlement, and also the report that all gambling houses in the Western District will shortly be ordered to move to Nantao.

III. WESTERN DISTRICT.

A. Military Training Institute in Western District.

The Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern and National Salvation Army, 76 Jessfield Road, recently established a semi-military training institute at No. 121 Brennan Road, O.O.L., the premises of the Kan Kung Primary School. The new organization is in charge of one Ling Tao Pang and has a total of over eighty cadets who wear green uniforms and caps bearing the Kuomintang emblem. They are unarmed and will, after the inauguration of the Wang Ching Wei Administration, assist the police authorities in maintaining peace and order in this district.

B. Gambling Dens in Western District.

On the afternoon of March 10, the various gambling dens in the Western District were instructed by the Shanghai Amusement Supervision Department, 9/470 Yu Yuen Road, to hand over their permits to the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern and National Salvation Army, 76 Jessfield Road and to pay protection fees to this organ in the future.

In compliance with the instructions, the conductors of the various dens, some of whom had obtained advance information to the effect that their permits would be withdrawn either on March 10 or 20, 1940, immediately called at 76 Jessfield Road. They handed in their permits and were assured that they would be permitted to continue operation under the joint protection of the Japanese Military Police and the members of the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern & National Salvation Army. New permits, they were informed, may be issued to them after the formal inauguration of Wang Ching Wei Administration.

However, in the evening of the same day, March 10, Loo Ying, Commissioner of the Shanghai City Government Police Bureau, issued a notice announcing that the permits for the gambling dens had expired from date and instructing the gambling den conductors to apply to the Police Bureau for re-registration.

The notice obviously indicated that the Police Bureau was anxious to gain control of the gambling dens in the Western District from the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern & National Salvation Army, which has not obtained open recognition of the Japanese authorities or the Chinese residents and which therefore, has no authority

whatsoever to govern the gambling establishments. As a consequence, the gambling den conductors approached the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern & National Salvation Army for advice and were instructed to suspend functioning pending the inauguration of Wang Ching Wei Administration.

These instructions were opposed by the majority of the gambling dens on the grounds that the loss arising from the suspension of business was too heavy.

On the morning of March 11, 1940, the gambling den owners held a meeting in the Hollywood Garden, 1204 Yu Yuen Road, under the joint auspices of the Japanese Military Police and the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern & National Salvation Army. After discussion, the two organs in question, agreed that the gambling dens be allowed to carry on operations until April 1, 1940, when they will be placed under the Wang Ching Wei Administration which is in course of formation. During the period between March 11 and April 1, no protection fees will be collected from them but they will be required to contribute voluntarily an amount to the Japanese Military Police who will be responsible for due protection to the gambling establishments.

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA


23 March 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

16 March to 23 March 1940

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B. Rice Situation	2


H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. MILITARY

A. Nanning Region.

In northwest Kwangtung the Japanese occupied Lingshan, east of the Nanning-Yamchow highway after overcoming stiff resistance of the Chinese. Apparently the Japanese effort here is aimed at clearing the area to ensure safe transportation along the highway.

B. Hainan.

Extensive mopping-up operations are in progress on the island of Hainan, especially in the interior. Numerous troops have arrived from South China fronts and the regions near the towns of Tanhsien, Chengkong, Lungmen and Anliang are now said to be completely under control of the Japanese.

Japanese aerial bombardments of various interior towns on the island have been increased since last week and severe fighting is now going on in the southeastern and northwestern coastal regions.

C. Guerrilla Activities.

In Hopei, Japanese occupied Chaipang, mining center 60 kilometers west of Peiping, after operations against the guerrillas who had occupied the city.

In Hupeh, Japanese proceeded with mopping-up operations in the regions of Siaokan and Macheng. A group of partisans under KAO KIA AN surrendered to the Japanese near Kiukowchen, on the Han River.

In Kiangsi, guerrillas have been active near Sishan and Shihtowkang, on the north bank of the Kan River. Other engagements were reported near Kaoan and near Fengsin.

II. MISCELLANEOUS.

A. Proposed Fruit and Vegetable Market in Chapei.

The British Forces and the Japanese Naval Landing Party have concluded their agreement for the opening of the perimeter wire on North Thibet Road (see report of

2 March). This opening will give the Settlement access to the newly constructed Shanghai Central Vegetable Market which will be opened officially on 23 March 1940.

The opening in the wire took place on the morning of 21 March, and as soon as it was completed a British military sentry post and a Shanghai Municipal Police post were established. Besides this market the Japanese have constructed several markets in the Western District, Nantao, and Wu Cheng Road Bridge in Chapei. These are apparently all part of their scheme to establish monopolies of the daily necessities of life.

These markets were supposed to have been opened on the 15th of March, but were postponed because the vegetable and other trade guilds in these areas refused to join the markets. It is reported that these guilds will not join because they say the market regulations will interfere with their business. Also they would be required to make a deposit of \$1,000 as security when joining the market, and they fear this deposit would never be refunded.

It is widely reported that all dealers in various products have agreed not to join the market, and a fine is to be imposed on any who breaks his word.

In view of the foregoing, it seems that unless the Japanese can find means of putting pressure on the various dealers, their projected monopolies will suffer a serious setback.

B. Rice Situation.

During the past ten days the price of rice has shown a steady decline. The price this morning for No. 1 Saigon Rice is \$36.00 to \$38.00 per zar which is a considerable reduction from the price on the 9th of March of \$43.00 to \$45.00 per zar.

There are several reasons behind this reduction in price. The banks are demanding that their loans be paid back, which is causing the rice markets to put their rice on the open market and eliminates hoarding. The banks are now only issuing short time loans of two to four weeks, making it imperative that the markets sell their rice immediately. And finally there is an increased amount of rice imported from Saigon, as shown by the fact that today the stock of rice in Shanghai is estimated at 702,600 zars as compared with 612,100 zars reported on 9 March.

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA

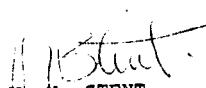
30 March 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

23 March to 30 March 1940

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H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. MILITARY

A. Suiyuan (French Military Bulletin)

During the month of February, Japanese forces withdrew from Wuyuan, located 250 kilometers west of Paotow, after routing troops under General Fu Tso-yi. When the lines were withdrawn, the Chinese were warned not to return to the area which was garrisoned by defence troops consisting of a small detachment of Mongols from the Federated Autonomous Government and Wuyuan police.

This defence force held the city until March 20th, when they were overwhelmed by a Chinese force under General Fu Tso-yi. The Chinese victory however, was short-lived as Japanese reinforcements arrived from Paotow a short time later and regained the city from the Chinese.

Chinese sources claim that Lieutenant General Mizogawa, commander-in-chief of the Japanese forces in West Suiyuan, was killed, along with a detachment of 200 men, by Chinese troops in street fighting.

B. Nanning Region (French Military Bulletin)

Japanese have been continuing their operations east of the Nanning-Yamchow highway, and have occupied Pengtang, about half-way between Lingshan and Hwenhsien, and Namheng, on the south bank of the Yu River (these localities are just north of the Kwangtung border in Kwangsi).

Japanese are reported to have evacuated Lingshan on the 21st of March and this locality was reoccupied by Chinese the following day.

C. Surrender of Chinese Troops.

According to a Japanese bulletin, Chinese desertions have been increasing and the surrender of the following detachments to the Japanese during the month of March are reported:

1. A detachment of 1,300 under General Chao Yu-kin, who operated in Shansi, near Tahsing.
2. A detachment of 5,000 commanded by General Sun Tien-ying, who operated in southeast Shansi.
3. A detachment of guerrillas, under Chu Hwai-ping, who operated to the west of Chunteh, in southern Hopei.
4. A detachment of cavalry operating in the Tsehchow region, near the Shansi border.
5. A detachment of 3,000, who operated in the regions of Changteh, Tangyin and Linhsien, on the Honan-Shansi border.
6. A detachment of 400 commanded by Mo An-cheng, who operated in the Lianghan region, in western Shantung.

II. POLITICAL

The following information, the result of personal observation, was received from a recent visitor to South China and Indo-China. This source is considered to be reliable.

A. Swatow

The Japanese claims of adequate control over Swatow and a thirty to fifty mile semicircle inland are not entirely true. Except for the fact that the Japanese Navy could effectively shell attackers, Chinese forces would be able to oust the small Japanese holding force estimated at 5,000 men. Of these 5,000 men, 2,000 are garrisoned in Swatow and the remaining 3,000 are distributed along the highway from Swatow to Chaochow, thirty miles inland. The highway runs between the Swatow-Chaochow railway and the Han River along a strip of delta varying in width from two to five miles. The railway has been dynamited and completely ruined; Chinese occupy the opposite bank of the river. Along this narrow corridor the Japanese maintain numerous village garrisons of from fifty to a few hundred men.

The town of Chinghai, ten miles northeast of Swatow was until recently garrisoned by three thousand Chinese puppet troops but their loyalty was so doubtful that they

were put aboard a Japanese transport and sent to southern Fukien province. The town of Chinghai was then held briefly by a force of three hundred Chinese police, paid by the Japanese, but these surrendered to Chinese guerrillas without fighting; guerrillas now hold Chinghai. Opposite the city of Swatow, Japanese forces hold the island of Kakchiao but otherwise have no footholds in the Swatow area.

About March 10th, seven thousand Japanese reinforcements arrived and launched an attack toward the city of Kityang, thirty miles northwest of Swatow, but never reached their objective. They retreated and Chinese forces again occupied the evacuated area. When the Japanese returned to Swatow they staged a "Victory Parade" with lanterns and firecrackers, giving twenty cents or one catty (a pound and one-third) of rice to all Chinese children for cheering. On the 22nd, the seven thousand troops embarked aboard several Japanese transports in Swatow harbor, leaving the Japanese garrison in the Swatow area at the original five thousand.

Japanese are unable to attack Kityang by the Kityang River because Chinese forces hold both banks strongly and the stream is too shallow to accommodate Japanese Naval craft.

Japanese forces captured Swatow on the twenty-first of June, 1939, and found the city, formerly over two hundred thousand, a mass of fire gutted, ruined buildings and fully three-fourths of the population gone. Today neutral observers fix the population at around ninety thousand. Chinese residents are all either coolies, beggars, or penniless refugees, with only an occasional well-dressed Chinese seen and these are invariably associated with the local puppet regime.

Today about forty Americans live in Swatow; half are missionaries and half businessmen, while another sixty Americans live in Swatow's cut-off hinterland.

Swatow's formerly flourishing import and export trade is almost nonexistent. Wharves and warehouses are bare except for Japanese military supplies.

In view of these conditions, the announcement by the Japanese to the effect that the new "Rehabilitation Administration of Swatow" is enthusiastically supporting the new Wang Ching-wei regime is worse than meaningless, either politically, militarily, or economically.

B. Haiphong, Indo-China

The seriousness of China's war supply problem since the Japanese capture of Nanning and the bombing and crippling of the Indo-China - Yunnan railway can be realized when the waterfront of Haiphong Harbor is seen. Block after block of the waterfront is piled high with goods ordered by the Chinese government which are now unable to reach Chungking's territory in any great volume except when re-shipped via Rangoon and hauled over the long Burma highway.

It is conservatively estimated that in excess of one hundred and fifty thousand tons of China's supplies have accumulated at Haiphong from ships of many nationalities; there are also more than two thousand two hundred motor trucks. Formerly, a maximum of eighteen thousand tons of supplies reached Yunnan monthly over the railway but since the frequent Japanese bombings and the destruction of roadway bridges, temporary repairs permit the inflow of only one-fourth that tonnage. Formerly, long strings of motor trucks from Haiphong, each loaded with two tons of cargo crossed the border every night into China, but due to the rainy season roads have deteriorated. Also, in order to avoid Japanese bombings of long convoys, the number of outgoing trucks is limited to a maximum of twenty nightly, whereas they formerly averaged between eighty and one hun-

dred every twenty-four hours. The Burma highway will presently be able to handle a maximum of seven thousand tons monthly although highway experts estimate that at some eventual distant date it may be able to accommodate upwards to thirty thousand tons every thirty days.

Such meager inflows of supplies are utterly inadequate to supply China's enormous armies. It is reliably estimated that today China has two million regulars on all fronts with another three million uniformed men armed with rifles undergoing training. In addition there are about one and one-half million guerrillas and another two million registered and ready for conscription.

The Haiphong situation also occasions immense financial losses for China because hundreds of trucks are deteriorating in the open lots, some of them have been there more than a year, exposed to tropical rains; machinery is rusted and tires rotting. Similarly, huge piles of coiled barbed and other costly wires are rusting, as well as machinery destined to factories expected to produce war supplies and munitions.

A responsible French authority at Hanoi emphatically denies that Tokyo has ever asked permission to transmit munitions from Haiphong to Nanning over the highway China once used. Even if such permission is asked it would be flatly refused for the French make no pretenses of friendliness to Japan and even frankly express alarm that the Japanese army is so close to the Indo-China borders, with additional misgivings that the Japanese are holding Hainan Island.

C. Canton

The reopening of the Pearl River as far as Canton will be gradually progressive. At present only three non-military, non-naval vessels are permitted to proceed from Hongkong to Canton weekly, two being Japanese and one British. Japanese

authorities announce that the reopening will be accomplished by gradually increasing the number of weekly sailings permitted.

Although the population of Canton is now nearly one million people, this does not signify prosperity nor the making of the city into a commercial asset by the Japanese. Since most of the arrivals are either laborers or penniless refugees, business is still stagnating and the larger the population grows, the greater the problems of relief, of sheltering the homeless and of feeding the penniless which confront the Japanese authorities.

It is authoritatively learned that the Canton area does not disclose any signs of Japanese intentions for permanent occupancy, while around Tsingtao, Shanghai, Hangchow and Soochow the Japanese Army is constructing elaborate and costly land defenses, nothing of this nature has been attempted in this area.

III. MISCELLANEOUS

A. Shanghai Central Vegetable Market in Chapei

The opening of this market took place as scheduled on 23 March 1940.

It is interesting to note that before and on the morning of the opening of the market, the Japanese twice violated the stipulations of the agreement between the Japanese Naval Landing Party and the British Forces (see report of 2 March). On the 24th, the Japanese again violated this agreement.

In each case the British Commander wrote letters of protest to the Commander of the Japanese Naval Landing Party.

In view of the fact that the British Commander reserves the right to close the opening in the wire at any time, the actions of the Japanese (Special Service Section) and the Ta Tao Police appear to be deliberately provocative.

The Japanese Naval Landing Party, with which negotiations were made by the British relative to the opening, have indicated that they are becoming very much disgusted with the manner in which the Central Vegetable Market has been handled, and wish that it had never been permitted to open.

B. Shanghai Strike Situation

Following are a few of the strikes which have occurred in Shanghai's foreign-controlled area during the past few weeks:

1. Shanghai Dockyards, Ltd.
2. Ta Mei Aerated Water Factory Workers
50 Ningkuo Road
3. Shanghai Wooden Box Makers
4. Stocking Dyeing Establishments
5. A B C Press (Swiss) - 22 Szechuen Road
6. Yoong Sung Metal Lock Factory - 5 Connaught Road
7. Kung Yih Knitting Mills - 21 Hart Road
8. Steel Drums, Ltd. - 1019 Baikal Road
9. Hwa Zung Ziang Weaving Factory - 6 Shantung Road
10. Wing On No. 3 Mill, Markham Road
11. Henningsen Produce Co. - 250 Sawgin Road
12. Foo Sing Flour Mill - Mokanshan Road

The similarity in the organization, methods of striking and the demands submitted seem to indicate that these strikes are part of an organized plan to prevent the growth of any concern not under Japanese or puppet control.

In some cases the management of the concerns will not reply to the demands of the workers, because they know that the strike is organized by an association whose main object is to promote difficulties in all foreign industrial concerns in order to stop their development.

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 2596

Peiping, April 5, 1940.

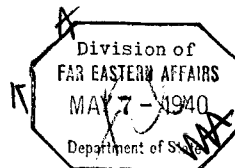
Subject: Denunciation of Japanese by
Chinese in Tientsin.

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RECEIVED
DEPARTMENT OF STATE

1940 MAY 6 PM 2 55

DIVISION OF
COMMUNICATIONS



For Distribution-Check		Yes	No
Grade	For		
For	In U.S.A.		

The Honorable

The Secretary of State,
Washington, D.C.

Sir:

1/ I have the honor to enclose, as of possible interest to the Department, copies of despatch no. 1032 of April 3, 1940, from the American Consul General at Tientsin to the Embassy, with which he transmits copies of a letter dated March 30, 1940, received by him through the mails from "122 citizen unions with 1,400,000 citizens of the Special Municipality of Tientsin of the National of the Republic of China". Mr. Caldwell reports that the letter denounces Japanese aggression in China,

the

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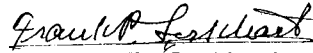
F/FG

- 2 -

the creation the new "central government", and Wang Ching-wei's peace agreement with Japan; the letter asserts that the signers will not recognize the new "central government". Mr. Caldwell reports that the authors of the letters are unknown to him.

Respectfully yours,

For the Ambassador:


Frank P. Lockhart
Counselor of Embassy

✓
Enclosure:

From Consulate General,
Tientsin, April 3, 1940.

Original and one copy to Department.
Copy to Embassy, Chungking. (without enclosure)

710 Sino-Jap./800 Tientsin.
RLS/js

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

No. 1032

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

ENCLOSURE NO. 1
TO DESPATCH NO. 2596

AMERICAN CONSULATE GENERAL
Tientsin, China, April 3, 1940.

SUBJECT: Transmission of Letter regarding Non-
Recognition of the new "Central
Government for China".

The Honorable

Nelson Trusler Johnson,
American Ambassador,
Peiping.

Sir:

1/ I have the honor to transmit for the information
of the Embassy a copy of a letter dated March 30, 1940,
(apparently mailed in Peking) received from "122 citi-
zen Unions with 1,400,000 citizens of the Special Muni-
cipality of Tientsin of the National of the Republic of
China". The authors of the letter are unknown to this
office.

The letter is a denouncement of Japanese aggression
in China; of the creation of the new "Central Govern-
ment"; of Mr. Wang Ching-wei's "peace agreement" with
the Japanese; and affirms that the authors of the let-
ter will not recognize the new government.

Respectfully yours,

J. K. Caldwell,
American Consul General.

Enclosure:

7

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 -

Enclosure:

1. Copy of letter dated March 30, 1940.

800

SJF:sfa

Original and two copies to Embassy, Peiping.
Copy to Embassy, Chungking.

sfh

8

7035

DECLASSIFIED: E.O. 11652, 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. 1032
dated April 3, 1940 from the American
Consulate General at Tientsin, China,
on the subject of "Transmission of
Letter regarding Non-Recognition of
the new "Central Government for China".

C O P Y

Tientsin, 30th March, 1940.

Sir,

We have the honour to announce to you with the solicitation that you would be good enough to make it known to your esteemed Government and your people that the Japanese militarists are again playing trick to create the so-called "New Central Government" and sign the "Peace Agreement" with Wang Ching-Wei as the puppet leader by means of the same way which was used to organize the "Manchuria Government" eight years ago. It has been thirty three months since the Japanese militarists began to invade and aggress upon China by force of their extremely cruelty that is notoriously known through the whole world, and it is not necessary to be repeated any more.

We are thoroughly aware that the realization of the real peace of the world and the preservation of the International agreement are the duty and the obligation of the peoples and of the nations respectively, and therefore, under the forcable aggression of the Japanese militarists, we are unable to obtain the independence and existance of our nation without the great sacrifices and the united efforts of our people. Based upon the already determined policy of resistance of the Chinese National Government and under the leadership of Generalissimo Chiang Kai-shek, we will at any cost fight against our enemy to the bitter end. This has already caused the Japanese militarists to have vanished their dream of conquering China and, in addition, the stretch of the International orthodoxy and the spiritual and materials assistance provided by our friendly countries for which we express our hearty thanks, have also thrown the Japanese militarists into a shrinking and anxious condition, and yet before their collapse, they are still trying with their last breath to vanquish and make China to out of existance by one of the aggressive ways called "with China to control China". Knowing the failure in organizing the past two puppet regimes, the "Provisional Government" and the "Reformation Government," they are taking the advantage to carry out their mischiefgiving plan of the creation of the so-called "New Central Government." Their brutal manners should really not exist in the human race and, in the same time, owing to the International situation that had effected deleteriously to the development of their instrumentality, they cannot but create the bogus organization as an instrument to cheat the world, destroying the third nation's interests in China and violating the Nine Powers' treaty. This kind of humble and humiliated action is obviously

known

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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 -

known by the people in all countries, and is simultaneously despised by those who maintain and observe the orthodoxy of the world.

With regards to Wang Ching-wei, we beg leave to state that, after the dismissal of his service from the Nationalist Party of China and the deprivation of his civil right by the National Government, we have been regarding him as an expelled traitor. It is ridiculous that the Japanese militarists have induced and utilized him by force to act as the leading man in the organization of the so-called "New Central Government" and to sign the "Peace Agreement", as a step to annexation of China. In spite of the above-stated fact, they are illegally propagandizing the "Peace and Anti-Communism". The Chinese are peace-loving people. In case the Japanese have any sincerity in talking peace, they should act upon the principle of the Chinese territorial integrity and sovereignty independence. It has been world-widely announced by the Chinese National Government and Generalissimo Chiang Kai-shek that any action against the above mentioned principle, there would be no peace between China and Japan.

When the Japanese militarists began to create the puppet organization of the so-called "Provisional Government of the Republic of China," we declared theretofore that any people or nation who might commit themselves in recognizing such an organization would make themselves the public enemy of the Republic of China. In accordance with the past announcement made by the Chinese National Government, we are accordingly solemnly announce to you and your esteemed Government as well that we swear not to recognize the bogus organization and deeply believe that those countries who maintain the orthodoxy of the world will certainly not recognize the same, which is completely made by the Japanese militarists, and will not make themselves the public enemy of the Chinese people who are struggling for the real peace of the world.

As we are understood that the Japanese militarists have the intention to conquer China, the only thing for us to do is that, under the guidance of Generalissimo Chiang Kai-shek, based upon the National Policy, we will fight to the extreme end for the independence of our nation. We have been suffering from the acute situation in the "fallen" areas for thirty three months, but our attitude of resistance is going to be more solid; unless the Japanese withdraw entirely all their troops out of the Chinese territory, we will never talk about peace. We are sure that the right will defeat the might at last. For the preservation of the dignity of the International agreement and the real peace of the world, our greatest sacrifices that we have had during the Sino-Japanese hostilities will undoubtedly get their valuable reward.

We have again the honour to announce solemnly to you the above in the hope that you would be so kind as to transmit the same to your esteemed Government and your

people,

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 -

people, in order to draw their attention to the present situation of China, to implore the their sympathy and to stretch the orthodoxy of the world. We are on the tiptoe of expectation of looking forward to the early realisation of the real peace of the world.

We are, Sir,

Yours most respectfully,

122 citizen Unions with
1,400,000 citizens of the
Special Municipality of
Tientsin of the National
of the Republic of China.

J. K. Caldwell, Esquire,
American Consulate-General,
Leopold Building,
Victoria Road,
TIENTSIN

Copied by: CPL

TELEGRAM RECEIVED

HSM

PLAIN

FROM

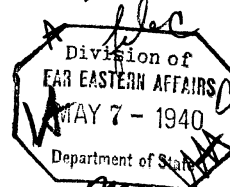
Tokyo via Shanghai & N.R.

Dated May 6, 1940

Rec'd 3:20 a. m., 7th

Secretary of State,
Washington.

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



310, May 6, 10 p. m.

15849

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Only two newspapers to date have essayed to comment editorially on the Foreign Minister's address on May 3rd before Japan International Association. The HOCHI of May 5 denounces what it describes as the first public revelation that the Foreign Minister intends to follow a policy of cooperation with Great Britain and the United States in the maintenance of the status quo and of opposing the efforts of Germany and other "have not" nations but adds that the Foreign Minister's remarks are not surprising when reviewed in the light of his efforts last year to circumvent the strengthening of the Anti-Comintern Pact. While granting the validity of the argument that the Soviet Union has been pursuing a policy of peace only because it was unprepared for war the HOCHI asks if there is any guarantee that the United States and Great Britain are not pursuing the self-same opportunistic policy. Foreign Minister's plea for a better understanding on the

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part

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

hsm -2- No. 310, May 6, 10 p. m., from Tokyo

part of the people toward the China affair is an insult to the nation, the journal concludes. The NICHI NICHI of the same date, while approving in principle the Foreign Minister's desire to avoid friction with third powers, hastens to assert that Japan must needs adopt a different policy toward those powers who openly oppose its aims in China. In particular there is no hope, the journal declares, for the adjustment of Japanese-American relations as long as the United States supports the Chiang regime. While the Japanese nation will not begrudge support to Mr. Arita's efforts to prevent Japanese-American relations from becoming further aggravated, the Foreign Minister should point out to the United States the plain facts of the situation, the journal urges.

Repeated to Peiping and Chungking.

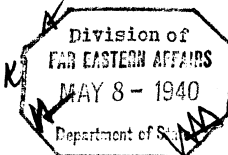
GREW

REP

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. 66

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA



STRICTLY CONFIDENTIAL

AMERICAN CONSULATE GENERAL
Canton, China, April 3, 1940.

SUBJECT: MILITARY INFORMATION

RECEIVED
MAY 14 1940
COMMERCIAL AFFAIRS
Department of State

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON.

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

793.94

SIR:

I have the honor to enclose for the Department's
information copy of my despatch no. 66 to the Embassy,
Peiping, dated April 3, 1940 on the above subject.

Respectfully yours,

M. S. Myers
M. S. Myers
American Consul General

In quintuplicate to the Department

870
MSM/dd

4 Carbon Copies
Received *MSM*

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F/FG '584

No. 66

AMERICAN CONSULATE GENERAL

Canton, China

STRICTLY CONFIDENTIAL

April 3, 1940.

SUBJECT: Military Information

The Honorable

Nelson Trusler Johnson,
American Ambassador,
Peiping.

Sir:

As of possible interest to the Embassy, I have the honor to report certain military information which has been obtained from a reliable source.

During a discussion of a related matter there was given some time ago to a member of my staff in strictest confidence information to the effect that during October last the Japanese sent back to Japan about 1,500 men suffering from wounds or disease, chiefly malaria which had been extremely prevalent in the army, and that over 1,000 had been previously sent back each month. As the strength of the Japanese forces under the South China Command was then in the neighborhood of 70,000 it is suggested that this information might be useful in gauging the losses suffered by the Japanese. I am inclined to give full credence to the above information which in any event would be an understatement rather than an overstatement.

No information is available covering later months but it would seem that as Japanese forces have in recent

months

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

- 2 -

months been engaged in more extensive operations than theretofore the casualty list due to the above mentioned causes must have been considerably greater.

With regard to Formosan troops which press reports have from time to time referred to as being in this area, information recently elicited was to the effect that there were no exclusively Formosan units in South China but that Formosan soldiers, of the Chinese race, were to be found in some Japanese units; that these Formosans had caused a lot of trouble, particularly arising out of their treatment of Chinese; and that the Japanese authorities were weeding them out and would probably send them back to Formosa. In this connection it was mentioned that there had occurred about 400 cases involving Formosan soldiers.

Respectfully yours,

M. S. Myers
American Consul General

In single copy to Embassy, Peiping
In quintuplicate to the Department
Copy to Embassy, Chungking

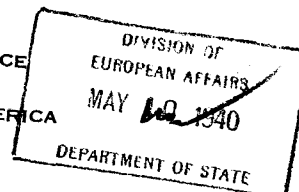
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MSM/dd

A true copy of
the signed original
[Signature]

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



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA



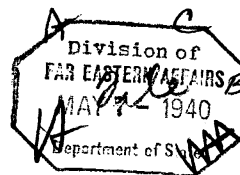
AMERICAN EMBASSY

Tokyo, April 5, 1940.

No. 4633.

SUBJECT: FRENCH PROTEST REGARDING VIOLATION OF
INDO-CHINESE TERRITORY BY JAPANESE MILITARY
PLANES.

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DEPARTMENT OF STATE

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The Honorable

The Secretary of State,
Washington.

Sir:

With further reference to my despatch no. ¹⁵⁷⁴³4507
dated February 17, 1940, reporting French protests
against Japanese bombing of the Yunnan Railway and the
violation of Tonking territory by Japanese planes, I
have the honor to transmit herewith for the Department's
information a copy in the original French of a further
protest

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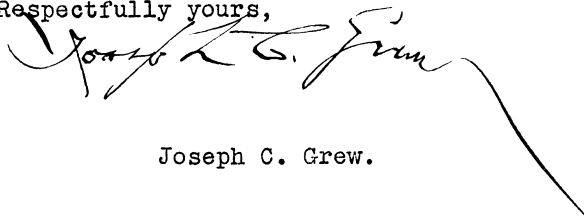
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-2-

further protest dated April 2, 1940, made by the French
Ambassador to the Japanese Government regarding unauthorized
flights by Japanese planes over French Indo-China, and of a
2/ reply from the Vice Minister for Foreign Affairs under date
of March 27, 1940, to previous communications of the same
3/4 nature, as well as a translation into English, made in the
Embassy, of these communications.

It will be observed that in only two out of the eight
incidents complained of the Japanese Government admitted
the charge that Japanese military planes had flown over
French territory; in two others it admitted the possibility
that such planes had flown over Indo-China; in three cases
it denied the allegation; and in one case, suggested that
the planes complained of might have been Chinese and not
Japanese. The Japanese Government, however, expressed
deep regret for the flights over French territory, which
it is asserted were in every case unintentional, and expressed
its appreciation of facilities extended to a Japanese plane
which made a forced landing on account of running out of gas
near Doson on December 27, 1940.

Respectfully yours,



Joseph C. Grew.

350
SEG:C

Enclosures:

1-4 As stated above.

Copy to Embassy, Peiping;
" " " Chungking;
" " Consulate General, Shanghai;
" " " Yunnanfu.

Original and 2 copies to Department.

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

Enclosure no. 1 to despatch
no. 4633 dated April 5, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the American Embassy).

The French Ambassador, Mr. Charles Arsène-Henry, to the
Vice Minister for Foreign Affairs, Mr. Tani, April 2, 1940.

2 avril 1940

Mon cher Ministre,

Je viens de recevoir votre lettre du 27 mars dans laquelle vous voulez bien me donner l'assurance que les Autorités japonaises tout en regrettant les survols inautorisés de l'Indochine commis par des avions japonais, appliqueront encore plus leur attention et feront tout leur possible pour empêcher que des affaires de ce genre ne se reproduisent.

A peine venais-je de transmettre ces assurances à mon Gouvernement que le Gouverneur Général p.i. de l'Indochine m'a télégraphié que le 29 mars le territoire indochinois a été survolé par des avions de bombardement japonais entre 12 H 30 et 12 H 50 à Langson, Loc-Binh, Goquomo Dinh, Rap Nha Thuoc.

Je ne puis attribuer cette violation de frontière qu'au fait que les autorités locales japonaises qui se trouvent en Chine n'avaient pas encore reçu les instructions du Gouvernement Impérial en ce qui touche le respect de la frontière de l'Indochine. Je vous serais donc particulièrement reconnaissant de faire le nécessaire à cet effet./.

Veuillez agréer, Mon cher Ministre, les assurances de ma haute considération,

signé: Charles Arsène-Henry

Son Excellence
Monsieur Tani
Vice-Ministre des Affaires Etrangères
Tokyo.

Enclosure no. 2 to despatch
no. 4633 dated April 5, 1940,
from the Embassy at Tokyo.

Ministère Impérial
des
Affaires Etrangères

Tokyo, le 27 mars 1940

Monsieur l'Ambassadeur,

J'ai l'honneur d'adresser ci-après à Votre Excellence l'ensemble des résultats fournis par des enquêtes faites auprès des autorités militaires concernant la question des violations de la frontière de l'Indochine française par des avions militaires japonais question ayant fait l'objet à plusieurs reprises de communications par lettre de Votre Excellence.

1. Affaire ayant fait l'objet de la lettre no. 86 en date du 30 décembre 1939 adressée par Votre Excellence au Ministre Nomura.

L'avion militaire qui fit un atterrissage forcé dans la région de Doson en Indochine le 27 décembre (la date du 26 de votre lettre doit être une erreur) est l'un des trois appareils qui s'étaient perdus dans l'après-midi du même jour pendant leur poursuite d'avions ennemis en direction de l'extrémité Sud-Ouest de la province du Kouang-si. Cet appareil avait par erreur survolé l'Indo-chine et, faisant tous efforts pour retrouver sa route, s'était trouvé à court d'essence. C'est ainsi qu'il se trouva forcé d'atterrir en possession française. Il ne s'agit donc pas, comme l'indique votre lettre, d'une violation volontaire de l'air territorial français.

En outre trois autres avions japonais qui dans la matinée du lendemain 28 étaient à la recherche des trois appareils ci-dessus mentionnés comme s'étant égarés, ne

-2-

s'aperçurent qu'ils survolaient l'Indochine qu'une fois arrivés au-dessus de Langson. Le fait qu'ils aient aussitôt rebroussé chemin vers la Chine montre que leur survol de l'air indochinois est entièrement dû à une erreur.

2. Affaire objet de la lettre no. 1 adressée à la date du 8 janvier 1940 par Votre Excellence au Ministre Nomura.

Il se peut que les avions japonais en action les 4 et 5 janvier en Chine, à proximité du Tonkin, aient par erreur dépassé la frontière. Vû que pendant ces deux jours, des avions chinois ont combattu le 4 avec les nôtres, ce sont peut être des appareils chinois qui ce jour là ont dépassé la frontière, et pénétré en possession française.

3. Affaire objet de la lettre no. 3, en date du 11 janvier 1940, adressée par Votre Excellence au Ministre Nomura.

Bien que dans la matinée du 7 janvier, une escadrille d'avions japonais ait survolé les régions de T'ai p'ing et de Ts'ing-si, en territoire chinois, il n'est pas exact qu'elle ait pénétré en territoire français.

4. Affaire objet de la note de Votre Excellence en date du 5 février de cette année.

Il est possible que des avions survolant, au-dessus des nuages et contre un vent violent, la région chinoise à proximité du Tonkin le 1er février, aient été emportés par la violence d'un vent contraire et entraînés jusqu'au delà de la frontière en territoire français.

5. Affaire objet de la lettre que m'a adressée Votre Excellence à la date du 6 février de cette année.

Bien qu'une escadrille d'avions japonais, sur le chemin du retour après avoir bombardé le chemin de fer du Yunnan, ait survolé les régions de K'ai Houa Ts'ing si et T'ai p'ing, il est inexact qu'elle ait pénétré en territoire indochinois.

-3-

6. Affaire objet de la lettre que m'a adressée
Votre Excellence à la date du 9 février de cette année.

Bien que la lettre de Votre Excellence porte que des avions militaires japonais auraient à la date du 5 février lancé des bombes aux environs de Ngai-Kho-kai en Indochine française, aucun avion militaire japonais n'étant entré en action le dit jour dans la région, les faits indiqués dans la lettre de Votre n'ont pu aucunement se produire.

7. Affaire objet de la lettre qu m'a adressée Votre Excellence à la date du 16 février de cette année.

Le 13 février dans l'après-midi un appareil faisant partie d'une escadrille d'avions japonais était resté en arrière à cause d'un accident à son moteur. Il était escorté par deux autres appareils. Tous ces appareils ne séparèrent de leur escadrille et ayant perdu leur direction, ils ne s'aperçurent qu'ils survolaient l'Indochine française qu'une fois arrivés dans le voisinage de Dono-Dang. Ils rebroussèrent aussitôt chemin. Ce dépassement de frontière est ainsi entièrement dû à une erreur.

8. Affaire objet de la lettre que m'a adressée Votre Excellence à la date du 18 février de cette année.

Il est probable que des avions japonais en action les 16 et 17 février en territoire chinois à proximité du Tonkin aient pénétré en territoire français parce qu'ils avaient été forcés de survoler des nuages après en avoir traversé une couche épaisse.

Ce qui précède montre qu'il existe des divergences avec les faits exposés par Votre Excellence et que de notre côté

-4-

nous ne pouvons tous les accepter tels quels. D'ailleurs quand, en fait, des avions japonais ont survolé le territoire indochinois, ils ne l'ont pas fait volontairement et ces survols viennent d'erreurs attribuables aux intempéries ou à d'autres circonstances. J'espère que du côté français on voudra bien comprendre ces circonstances et en tenir compte. De notre côté, et bien que les survols soient dûs à des erreurs, nous le regrettons vivement et à l'avenir nous appliquerons plus encore notre attention et ferons tout notre possible pour empêcher que ne se reproduisent des affaires de ce genre.

Le Consul Général de l'Empire à Hanoi s'était empressé d'exprimer à l'époque ses remerciements aux autorités de l'Indochine française pour les mesures bienveillantes qu'elles avaient prises à l'égard de l'avion japonais qui avait fait un atterrissage forcé au Tonkin le 27 décembre de l'année dernière. Je serais très reconnaissant à Votre Excellence de vouloir bien à ce propos faire savoir à son Gouvernement combien profondément le Gouvernement Impérial avait été sensible à ce témoignage de bienveillance./.

Veuillez agréer, etc.,

signé: Tani (Masayuki)
Vice-Ministre des Affaires Etrangères

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

Enclosure no. 3 to despatch
no. 4633 dated April 5, 1940,
from the Embassy at Tokyo.

Translation by the Embassy at Tokyo of a note addressed
by the French Ambassador, Mr. Arsène-Henry, to the Vice
Minister for Foreign Affairs, Mr. Tani.

April 2, 1940.

My dear Mr. Minister,

I have just received your letter of March 27 in which
you have been good enough to assure me that the Japanese
authorities while regretting the unauthorized flights over
Indo-China committed by Japanese planes will take greater
care and do everything within their power to prevent a
repetition of incidents of this nature.

I had scarcely transmitted these assurances to my
Government when the Acting Governor General of Indo-China
telegraphed me that on the 29th of March, Indo-Chinese
territory was violated by Japanese bombing planes between
half-past twelve and twelve-fifty at Langson, Loc-Binh,
Goqumo Dinh, Rap Nha Thuoc.

I can attribute this frontier violation only to the
fact that the local Japanese authorities in China had not
yet received instructions from the Imperial Government in
regard to the frontier of Indo-China. I should therefore be
particularly grateful to you to do the necessary in this
regard.

Accept, my dear Mr. Minister, the assurances of my
high consideration.

(Signed) Charles Arsène-Henry.

His Excellency
Mr. Tani,
Vice-Minister for Foreign Affairs.

Enclosure no. 4 to despatch
no. 4633 dated April 5, 1940,
from the Embassy at Tokyo.

Translation made by the Embassy at Tokyo of a note in
French addressed to the French Ambassador, Mr. Arsène-Henry,
by the Vice Minister for Foreign Affairs, Mr. Tani.

Imperial Ministry
of
Foreign Affairs

March 27, 1940.

My dear Ambassador:

I have the honor to transmit herewith to Your Excellency
the summary of results furnished by the inquiries made of the
military authorities concerning the matter of the violation of
the frontier of French Indo-China by Japanese military planes
which has been the object on several occasions of written
communications from Your Excellency.

1. The matter forming the subject of letter no. 86
dated December 30, 1939, addressed to Minister Nomura by
Your Excellency.

The military plane which made a forced landing in the
Dosen region in Indo-China on the 27th of December (the date
of the 26th in your letter must be in error) is one of the
three planes which went astray in the afternoon of the same
day during their pursuit of enemy planes in the direction
of the southwestern border of the province of Kwangsi. That
plane had by mistake flown over Indo-China and making every
effort to return to its route ran out of gas. It is for this
reason that it was forced to land in a French possession.
It is therefore not a question, as your letter indicates,
of a willful violation of the air over French territory.

Moreover, three other Japanese planes which on the
following morning, the 28th, went in search of the three
machines/^{above}referred to as having lost their way, did not
realize

-2-

realize that they were flying over Indo-China until they had arrived at a point above Langson. The fact that they immediately turned back to China shows that their flight over Indo-China was entirely due to a mistake.

2. The matter forming the subject of letter no. 1 addressed on January 8, 1940, to Minister Nomura by Your Excellency.

It may be that the Japanese planes in action on the 4th and 5th of January in China, in the vicinity of Tonkin, crossed the frontier by error. Since, during these two days, Chinese planes fought on the 4th with our planes, it was perhaps Chinese machines which crossed the frontier on that day and penetrated French territory.

3. The matter which formed the subject of letter no. 3, dated January 11, 1940, sent by Your Excellency to Minister Nomura.

Although on the morning of January 7 a squadron of Japanese planes flew over the area of T'ai p'ing and Ts'ing-si in Chinese territory, it is not true that they penetrated French territory.

4. The matter contained in the note of Your Excellency dated February 5, 1940.

It is possible that planes flying above the clouds and against a violent headwind over the Chinese region in the vicinity of Tonkin on the first of February were carried by the violence of a contrary wind over the frontier of French territory.

5.

-3-

5. The matter dealt with in the letter which Your Excellency sent to me on the 6th of February, 1940.

Although a squadron of Japanese planes on the return journey, after having bombarded the Yunnan Railway, flew over the regions of K'ai Houa Ts'ing-si and T'ai p'ing, it is not true that they penetrated Indo-Chinese territory.

6. Subject matter of the letter which Your Excellency addressed to me on February 9 of this year.

Although Your Excellency's letter states that Japanese military planes on February 5 dropped bombs in the vicinity of Ngai-Kho-kai in French Indo-China, (since) no Japanese military plane went into action on that day in the region mentioned, the facts indicated in Your (Excellency's) letter could not have taken place.

7. The subject matter of the letter which Your Excellency sent me on February 16, 1940.

On the afternoon of February 13th, a plane composing a part of a squadron of Japanese planes remained behind on account of an accident to its motor. It was escorted by two other planes. All of these planes separated from their squadron and, having lost their direction, did not notice that they were flying over French Indo-China until they had arrived in the vicinity of Dono-Dang. They immediately retraced their route. This crossing of the frontier was thus entirely due to error.

8. The subject matter of the letter which Your Excellency sent me under date of February 18, 1940.

It is probable that Japanese planes in action in Chinese territory in the vicinity of Tonkin on the 16th and 17th of February penetrated French territory because they were forced

to

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to fly above the clouds after having flown through a thick cloud mass.

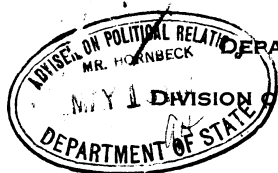
The foregoing shows that a divergence exists with the facts set forth by Your Excellency and that on our side we cannot accept them as such. Moreover, when in fact, Japanese planes have flown over Indo-Chinese territory they have not done it intentionally and those flights result from errors attributable to bad weather or to other circumstances. I hope that on the French side these circumstances will be understood and taken into consideration. On our side, and although the flights were due to errors, we regret them exceedingly and in the future will pay even more attention, and will do everything possible, to prevent a repetition of incidents of this nature.

The Imperial Consul General at Hanoi hastened opportunely to express his thanks to the authorities of French Indo-China for the kind measures taken by them with regard to the Japanese plane which made a forced landing at Tonkin on the 27th of December, 1939. I should be very grateful to Your Excellency if you would be good enough in this connection to inform Your Government how deeply sensible the Imperial Government was of this evidence of goodwill.

Accept, Excellency, the assurances of my highest consideration.

Signed: Tani (Masayuki)
Vice Minister for Foreign Affairs.

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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

May 15, 1940.

Reference Tsinan's despatch no. 237, April 8, 1940, entitled "Control of Chinese Cement Factory Relinquished by Japanese Military Only to be Acquired by Japanese Firm".

In connection with the Japanese army's announcement in March that it intended to return mines and industrial plants in China to the Chinese owners, the American Consul at Tsinan reports that control of the Chih Ching Cement Company in Tsinan has been relinquished by the Japanese army only to be "acquired" by the Ch'ing Ch'eng Cement Company (Japanese). The firm as now constituted is said to be under Sino-Japanese management, but the fact is that two thirds of the capital shares, totaling \$300,000 in local currency, are understood to have been transferred to the above-named Japanese firm, the former Chinese owners retaining only one third interest. Japanese interests in "acquiring" the controlling interest in Chinese plants in the Tsinan consular district have consistently bargained or pledged their "good will" and "cooperation" in lieu of proportionate capital investment, and it is not likely that the Japanese have made any investment of capital in the new company in proportion to the shares which they received.

At

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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

-2-

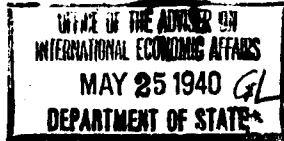
At the time of the Japanese army's announcement that it intended to return certain mines and industrial plants to their Chinese owners there was general skepticism in regard to whether the Japanese would fulfill their promise. The report under reference gives an indication that that skepticism was justified.

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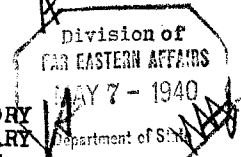
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Department of State letter, August 10, 1972
By Milton O. Quisenberry NARS, Date 12-18-75

No. 237.



AMERICAN CONSULATE,

Tsinan, China, April 8, 1940.



SUBJECT: CONTROL OF CHINESE CEMENT FACTORY
RELINQUISHED BY JAPANESE MILITARY
ONLY TO BE ACQUIRED BY JAPANESE
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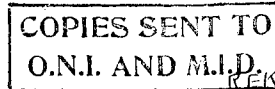
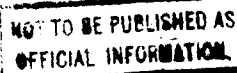
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The Honorable

Nelson Trusler Johnson,

American Ambassador,

Peiping, China.



Sir:

I have the honor to refer to the Consulate's
Monthly Political Report for March 1940, in which it
was stated (page 7) that "The Japanese Army's announced
intention to return mines and industrial plants to the
Chinese owners.....was taken with the metaphorical
grain of salt by local businessmen, who interpreted the
gesture to mean continued control of such private proper-
ties by the puppet regime or by monopolies It
is reliably understood that, following the above announce-
ment the Chief of the Special Service Section of the Japan-
ese Army in Shantung privately urged the puppet Provincial
Commissioner of Reconstruction to exert his influence to
bring about 'cooperation' between Chinese factory owners
and Japanese firms (monopolies?)."

In this connection, it is of interest to report that
control of the Chih Ching Cement Company, Tsinan (Chinese),

has

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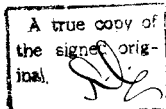
has been relinquished by the Japanese Army only to be "acquired" by the Ch'ing Ch'eng Cement Company (Japanese).

The firm as now constituted is said to be under Sino-Japanese management, but the fact is that two-thirds of the capital shares totaling local \$300,000 in value are understood to have been transferred to the above-named Japanese firm, the former Chinese owners retaining only a one-third interest. No doubt this reorganization of the firm was effected without the investment by the Japanese interests of capital in proportion to the shares transferred. Otherwise this case is an exception; Japanese interests in "acquiring" the controlling interest in Chinese plants, et cetera, in this district have consistently bargained or pledged their "good will" and "cooperation" in lieu of proportionate capital investments.

The principal asset of the Chih Ching Cement Company is a cement factory capable of producing 15,000 tons of cement annually. Since the company's "reorganization" it has been announced that a plan for doubling the factory's production is being considered.

Other important industrial plants, coal mines and public utilities in this consular district, in practice if not in theory, have been brought under Japanese control.

Respectfully yours,



Carl O. Hawthorne,
American Vice Consul.

866.21/860.2
COH:KCC/KCC

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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



RC

AMERICAN EMBASSY

Tokyo, April 11, 1940.

No. 4648.

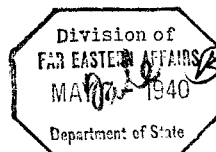
SUBJECT: DISPOSITION OF COMMUNICATIONS FROM DR. VICTOR
FRENE.

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793.94/15857

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to the Department's
instructions No. 1902^{793.94/15676} and No. 1925^{793.94/15705} of February 21 and
March 19, 1940, respectively, requesting that suitable
acknowledgment be made, in the Embassy's discretion,
to communications received in the Department from Dr.

Victor

F/FG

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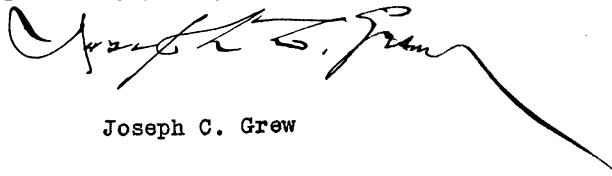
-2-

Victor Frêne, care of Mr. Karahara, 5 of 9, Shiba Park, Shiba-ku, Tokyo, and asking for a brief report concerning Dr. Frêne's identity and professional standing and activities.

So far as the Embassy has been able to ascertain, Dr. Frêne is an itinerant musician who came to Japan a little over a year ago after twenty-five years residence on the upper reaches of the Yangtze River and who now lives with a Japanese family at the address given. Dr. Frêne's principal activity appears to be the teaching of music along revolutionary lines, an occupation from which he derives but meagre support. It may be stated that the foreign professional musicians in Tokyo do not regard Dr. Frêne's musical work in a serious light. It is understood that Dr. Frêne is endeavoring at the present time to seek other employment.

I have received from Dr. Frêne a communication similar to those he has addressed to officers in the Department, and have caused the receipt of it to be acknowledged orally. In the circumstances, the Embassy has not acknowledged the communications referred to in the Department's instructions.

Respectfully yours,



Joseph C. Grew

793

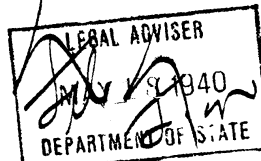
FAS:nn

Original and 2 copies to the Department.

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



10
RECEIVED FOREIGN SERVICE
DEPARTMENT OF STATE
UNITED STATES OF AMERICA
1940 MAY 6 PM 2 01

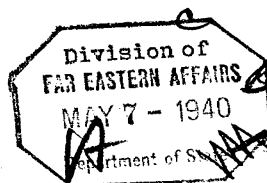


AMERICAN EMBASSY
Tokyo, April 11, 1940

DIVISION OF
CONCURRENT AFFAIRS

No. 4654.

SUBJECT: JAPANESE BOMBING OF THE YUNNAN RAILWAY: REPLY
TO BRITISH REPRESENTATIONS.



For Distribution-Check		Yes	No
Grade	To Field		
For	In U.S.A.		

793.94
note
893.77

793.94/15858

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to my despatch No. 4538
1/ of February 27, 1940, and to enclose herewith a copy of
the reply of the Imperial Japanese Ministry of Foreign
Affairs to the representations made by the British
Embassy concerning the recent bombing of the Yunnan
Railway by the Japanese forces. The Japanese Government
asserts that the Sino-French Agreement of 1903 concern-

ing

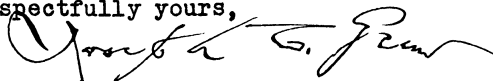
F/FG

15858

-2-

ing the Yunnan Railway specifies that the line shall be entirely under Chinese jurisdiction and afford special facilities to China for the transport of troops, munitions and food supplies, and that therefore it is impossible for the Yunnan Railway "to comply with the rules of neutrality" with respect to the present hostilities in China. It is further stated that the Japanese Government has precise knowledge that this railway has been actively used as an important supply route "for the Chiang regime" and that the military importance of the railway has progressively increased. Under these circumstances the Japanese Government says that it has been necessary for the Imperial forces to take "legitimate and proper military action against the railway". The Japanese Government expresses surprise that the British Government, which recently "fully recognized the actual situation in which large-scale military operations are in progress in China", should now ask the Imperial Government to give consideration "to this action". The note concludes as follows: "The Imperial Government expect that the British Government will fully appreciate the fact that the actual situation in China has rendered dangerous the use of this railway as in normal times."

Respectfully yours,



Joseph C. Grew

Enclosure:

- 1/ Japanese Ministry of Foreign Affairs to the British Embassy, March 11, 1940.

350
MWS:nn

For distribution, see following page.

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

-3-

Distribution:

Original and 1 copy to Department.
Copy to Embassy, Peiping.
Copy to Embassy, Chungking.
Copy to Consulate General, Shanghai.
Copy to Consulate, Yunnanfu.
Copy to Saigon for transmission to Hanoi.

Enclosure No. 1 to despatch
No. 4654 dated April 11, 1940,
from the Embassy at Tokyo.

Courtesy of the British Embassy to the American Embassy
received April 11, 1940.

Translation by British Embassy of a note in Japanese from
The Japanese Ministry of Foreign Affairs to the British
Embassy.

Ministry of Foreign Affairs
Tokyo

NOTE VERBALE

The Imperial Japanese Ministry of Foreign Affairs
have taken note of the contents of the British Embassy's
memorandum No. 41 of the 21st February regarding the ques-
tion of the bombing of the Yunnan Railway and have the
honour to reply as follows:

SEAL OF GAIMUSHO

11th March 1940

Note.

1. The British Government will be aware that it is
not possible for the Yunnan Railway to comply with the
rules of neutrality in hostilities in which China is in-
volved and that it is prescribed in the Sino-French agree-
ment of 1903 concerning the construction and management
of the Yunnan Railway that the railway should be entirely
under Chinese jurisdiction and that it should afford special
facilities to China for the transport of troops, munitions
and food supplies, and the Imperial Government know from
precise reports in their possession that this railway has
been actively used as an important supply route for the
Chiang regime in the present China incident and that its
military

-2-

military importance has progressively increased along with the development of the incident.

2. In these circumstances, the Imperial forces have been obliged, in the conduct of their campaign and with the object of ensuring the safety of their troops, to take legitimate and proper military action against the railway, and, in view of the fact that the British Government recently fully recognised the actual situation in which large-scale military operations are in progress in China, it is a matter of great surprise for the Imperial Government that the British Government should now have expressed the hope that the Imperial Government would give consideration to this action on the grounds that an important proportion of British trade with China was carried by this railway and that the lives of British subjects were endangered.

The Imperial Government expect that the British Government will fully appreciate the fact that the actual situation in China has rendered dangerous the use of this railway as in normal times.

TELEGRAM RECEIVED

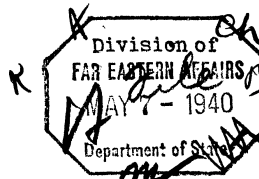
hsm
A portion of this telegram must be closely paraphrased before being communicated to anyone. (Br.)

Hankow via N. R.
Dated May 7, 1940
Rec'd 9:33 a. m.

COPIES IN PARAPHRASE
SENT TO ~~C.N.I. AND~~
M.I.D. IN CONFIDENCE
RER

Secretary of State,
Washington.

Shown to ONI
and MIO
K



May 7, 9 a. m.

793.94 (GRAY) Reference my April 27, 15843 10 a. m. Political situation.

Japanese military spokesman here confirms Chungking reports that Japanese on May 1st started offensive which appears to be directed against Chinese base at Fancheng-Siangyang. One Japanese column is moving up Han River from Chungsiang; second column moving northwesterly from Suhsien toward Tsaoyang; third column from Sinyang, Honan, toward Tempeh and fourth column from Peiping-Hankow (which?) Railway south of Kioshan towards Miyang with Japanese claim to have taken on March 5. (END GRAY) It is believed that large Chinese forces are operating in areas between these widely separated lines of advance. Many Japanese wounded are arriving in Hankow via Pinghan Railway. Chinese pressure in Yoyang and Nanchang areas seems to have lessened, Chinese are reported to have bombed Singon

793.94/15859

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

hsm -2- May 7, 9 a. m., from Hankow

Singon April 23. There has been marked aerial activity from Hankow base during the past week with evidence of increased local antiaircraft precautions. The local situation remains quiet with very few troops in evidence.

Sent to Chungking, repeated to Peiping and Shanghai.

SPIKER

WWC

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

Confidential

CONFIDENTIAL

PARAPHRASE

A telegram of May 7, 1940, from the American Consul General at Hankow reads substantially as follows:

The situation in Hankow remains quiet, with very few troops to be seen. Japanese military spokesman in Hankow confirms Chungking reports that Japanese on May 1st started offensive which appears to be directed against Chinese base at Fancheng-Siangyang. One Japanese column is moving up Han River from Chungsiang; second column moving northwesterly from Suihsien toward TsaoYang; third column from Sinyang, Honan, toward Tempeh and fourth column from Peiping-Hankow Railway south of Kioshan towards Miyang (which?) Japanese claim to have taken on March 5. In regions between these widely separated lines of advance large numbers of Chinese troops are thought to be operating. A considerable number of wounded Japanese are coming into Hankow on the Pinghan Railway. There are reports that on April 23 Singen was bombed by Chinese. In the areas around Nanchang and Yoyang it appears that pressure from the Chinese has decreased. During the week of April 28 aerial activity from the base at Hankow was noticeable and there was evidence at Hankow of greater precautions against aircraft.

793.94/15859

898.
 FE:EGC:HJN
 5/7

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

BEHOLD! I COME QUICKLY. REV. 3:11 主耶穌我必快來 啓3:11

HEADSTATIONS:

湖北
襄陽 XIANGYANG
樊城 FANCHENG
南漳 NANCHANG
宜城 YICHENG
荊門 KINGMEN
荊州 KINGCHOW

行道會

Cobenant Missionary Society

China.

HOME BOARD

HEADQUARTERS:

1005 BELMONT AVE.
CHICAGO, ILL., U. S. A.

Code Address: "COVENANT"

THE WHITE HOUSE

May 6 1940

KINGMEN, MUPEH, March 2, 1940

TO THE PRESIDENT OF
THE UNITED STATES OF AMERICA
WASHINGTON, D. C., U. S. A.

HONORABLE PRESIDENT, MR. ROOSEVELT,

I herewith convey my sincere thanks and gratitude for the attention, consideration and recognition paid to my former communication of August 20th, 1938.

Since then happenings have occurred in connection with the "China Incident", which we beforehand never anticipated. -- Thanks unto God! We are still in the "land of the living".

This communication is sent in line of information from the real inland of China, where we mingle with the common people, away from highways, railroads, and other convenient means of transportation; information, which we hope, may prove of some interest, or even stimulate thoughts regarding the Orient in its present situation and perplexity.

We have been under the fire of the Japanese bombing planes many times. We credit it to God's mighty hands that we have not as much as received a scratch, although many huge bombs have exploded extremely near us; once caught out in the open, without the least of protection and bombs raining down and exploding only a few tens to a hundred feet away. Getting out off it unharmed is a wonder and a credit to God alone.

We have long been convinced that the Japanese officials asked us for description, planes and maps of mission property, and wanted us to prominently display the American flag; all just in order to get a good, visible and clear target for their bombing planes. No place in Kingmen was as densely bombed the first raid as our mission property under the American flag and the Catholic Mission property under the French flag. Since then, nine following raids have been carried out. We have had fourteen large size American flags painted on the roofs of our mission buildings. The bombing planes have succeeded in some direct hits. Twenty-six bombs have directly struck our mission property on an area not larger than two medium city-blocks in U. S. A. At this point the city is nothing but a huge ruin; the people, still alive, have escaped and taken refuge amongst the mountains and hills, and we missionaries have gone with them in order to render aid, as far as we under the present circumstances are able, in cases of sickness, suffering, poverty etc. We see and meet with a lot of hardship, but we are

793.94/15860

L/EG

To The PRESIDENT OF THE U. S. A.

- 2 -

happy in the service, interpreting the will and purpose of God as well as of our people in our homeland, U. S. A., assured of that our work is not in vain.

We all feel most grateful for what has been accomplished for the good of China by Your Honor and High Office. We apprehend the difficulties connected with the great and complicated world-problems. But we still hope that even stronger measures may be taken and results obtained for the future welfare of humanity, which welfare the Chinese nation is in desperate need of.

The American Ambassador Mr. Grew's speech in Tokio, Japan, last fall, has created indelible impression and transformed even the mind of the common people into extraordinary gratitude and appreciation towards the United States of America.

Although the people here would like to see, that The United States of America would declare an embargo on ammunition and war-materials to Japan at an early date, they well apprehend and appreciate the difficulties in its connection and relations. They believe fully in the true friendship of The United States of America, although untold numbers of innocent and defenseless people have in the last two years been exterminated by ammunition, as they believe and have read in their papers, which has been sold to Japan by American manufacturers, alike with the bombing planes used at the raids. Nevertheless, they carry no grudge or hatred towards The United States of America; but they have on the other hand completely lost all confidence in the aggressor. The continued outworn harangue: "Taking utmost caution to prevent the civilian population or non-combatant element being injured by Japanese operations and also safeguarding third Powers rights and interest in China"; and, "Our military forces are carrying out their actions with greatest care"; and expressions of similar empty values, only create odious disrepute and contempt.

Nothing should hinder The United States of America and China from future goodwill, cooperation and the best of relationship in various branches of activities and from getting into a bright and prosperous future. We will continue to look for, labor and pray for that, hoping to see and enjoy it in a near future.

And with best wishes and praying for God's blessing over Your Honor for years to come as President of The United States of America,

I wish to remain,

Most cordially, Your humble and loyal citizen,



DECLASSIFIED: E.O. 11652, 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 6 1940

To the
American Consul General,
Hankow, China.

The Secretary of State refers to his instruction of October 6, 1938 in regard to a letter of August 20, 1938 received by the President from Mr. Joel S. Johnson, Kingmen, Hupeh, China. A further letter, dated March 2, 1940, has now been received by the President from Mr. Johnson and has been referred to the Department of State. A copy of this letter of March 2 is enclosed herewith.

The Secretary of State requests that the American Consul General, unless he perceives objection thereto, make appropriate acknowledgment of this further letter of March 2 from Mr. Johnson, informing him that the statements contained in his letter have been carefully noted.

Enclosure:

From Mr. Joel S. Johnson,
March 2, 1940.

MAY 3 1940

894.24/367

FE:EGG:EAS
5-1-40

FE

A true copy of
the signed original.

F/EG

CROSS-REFERENCE FILE

NOTE

SUBJECT Canton and vicinity.
Conditions in, with particular reference to Japanese control
of, and interests in that area.

For the original paper from which reference is taken

See #149
(Despatch, telegram, instruction, letter, etc.)

Dated April 1, 1940 From Canton (Myers)
To

File No. 893.00/14542

793.94 / 15861

15861

DECLASSIFIED: E.O. 11652, 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 Transmits two newspaper articles, from JAPAN TIMES of March 21, entitled "Financed Lobby Operates on American sympathies" and from JAPAN ADVERTISER of Mar. 30, entitled "Change Seen Likely in United States Asia Policy".

aa

793.94 / 15862

For the original paper from which reference is taken

See # 4636
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 8, 1940 From Japan (Grew)
To

File No. 711.94/ 1493

15862

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Relations between Japan and China.

The Government is attaching special importance to extending trade relations with Latin America. As long as hostilities in China continue and while Japan continues the scheduled program of military replenishment, her economy is increasingly geared to the production of materials for military and heavy industrial purposes which are unsuited for export to the preponderantly "consumers' goods" markets of Latin America.

FU

For the original paper from which reference is taken

See Desp. #4635
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 12, 1940 From Japan (Grew)
To

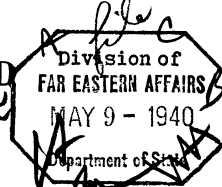
File No. 611.9431/200

703.64/ 15863

15863

DECLASSIFIED: E.O. 11652, 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



JT

FROM

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

SHANGHAI VIA N.R.

Dated May 8, 1940

Rec'd 10:50 p.m.

Shown to ONI and MID

Secretary of State,

Washington.

401, May 8, 5 p.m.

793.94
A confidential source which has provided fairly reliable information reports that Japanese military operations planned by General Staff are advance toward Shasi and Ichang and toward Changsha, annihilation (sic) of Chinese troops along Peiping-Suiyuan line and in Shansi, defensive warfare in South China and enticement of Chinese troops to Hengyang (?) for annihilation, policy thereafter to be political war rather than military, defensive instead of offensive military operations and pacification rather than annihilation.

Repeated to Chungking, Peiping and Hankow.

BUTRICK

GW

793.94/15864

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 27, 1939.

A more aggressive American policy in the Far East is advocated by a surprisingly large majority of recent editorials which express opinions on the subject. Apparently influenced principally by the recent Gallup poll showing a great increase in public sentiment in favor of the imposition against Japan of an embargo on arms and munitions, and by the present situation in Tientsin, an increasing number of editorial writers appear to feel that "now if ever is the time for the United States to get wise and stop the affair in the Pacific while it can still be done by peaceful economic means". (Asheville, N.C. Citizen, June 17).

There is a general recognition of the possibility that Japan, bogged down in China, will attempt "national hara-kiri" by involving herself with a third power or powers. But it is also generally felt that a strong policy on the part of this country which might antagonize Japan would not be dangerous to us because, due to Japan's economic vulnerability and the extent of her military commitments in China, the initiative would rest with the United States in any military action involving us which might result from such antagonism or attempted "national hara-kiri".

Several more cautiously worded editorials mention approvingly a report that army and

navy

F/FG

793.94

793.94/15865

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


DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

navy officials "while promoting no official embarrassment which might have created ill feeling, have adopted a scrap-iron conservation policy about which little has been said, but which is, in effect, an embargo on shipments of scrap." Other cautious editorial comment is confined to the recommendation that we make a decision in regard to Japanese policy in Asia and either take further measures to maintain our rights in China or withdraw from that country entirely.

Smaller groups of editorial writers take more extreme stands. A few dismiss the Tientsin situation with the argument that the blockade is not an American issue, and others, while recognizing a potential danger to this country, argue that at the present time Japan is not attacking us and that therefore we should not help Britain to "pull her chestnuts out of the fire". These isolationist views are balanced by extremists on the other side who advocate strong positive measures such as, for instance, an Anglo-American long-range naval blockade of Japan.

It is believed that you may care to glance at the marked passages in at least a few of the attached editorials representative of recent comment on the Far East.


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

DIVISION OF
PRESS INTELLIGENCE
304 COMMERCIAL BLDG.

NO.

SYMBOL

Citizen (ID)
Asheville, N. C.

DATE

DIVISION OF
PRESS INTELLIGENCE
COMMERCIAL BUILDING
ROOM #304

NO. 2

SYMBOL 545

Tennessean (I)
Nashville, Tenn.

DATE

✓ DIVISION OF
PRESS INTELLIGENCE
304 COMMERCIAL BLDG.

NO.

SYMBOL 5-25-3W

Journal (I)
Albuquerque, N. M.

DATE

BEFORE IT'S TOO LATE

The United States may be able to afford for the time being to sit back with the air of a calm and detached spectator as far as European affairs are concerned, for as long as the British and French democracies hold we have a first line of defense in that direction. But the pressure of events will not permit us to adopt such an attitude in the Orient. We are already knee deep in involvement in the present crisis which has arisen over the control of the foreign settlements along the China coast.

True, we do not own any of these settlements outright ourselves, for after the Boxer Rebellion in 1900, when we might have secured such concessions by way of indemnity for our losses in that affair, we refused any land grants at all. And we used our money grants to set up a trust fund to provide scholarships for Chinese students at American universities.

But we are deeply involved for all that. Our Federal government, our missionaries and our mercantile corporations settled their personal difficulties by buying or leasing land and buildings in the British and French concessions to the total cost of millions of dollars. Hence our consulates, our mission schools, churches and hospitals, our shops and warehouses are located in the very center of the European settlements which England and France are now trying to protect from being swallowed up completely by the Japanese aggressors.

Tientsin has apparently been picked as a test case, and Tientsin is our business just as much as anybody else's. Therefore there is small wonder on the part of those in the know that we are witnessing a nationwide demand that the government at Washington adopt legislation which will stop the American trade with Japan. That trade, most observers agree, finances in large measure the Japanese advance on the Asiatic mainland. The practical men among American missionaries have long contended that a government embargo on all trade with Japan would finish the war in six weeks.

For humanitarian reasons alone we have not so far been willing to apply that embargo, for we would rather get rich. But now that our own interests in the China concessions are in immediate danger perhaps we will get around to cutting the flow of supplies to Nippon which keeps things going. Now, if ever, is the time for the United States to get wise and stop the affair in the Pacific while it can still be done by peaceful economic means. As surely as night follows day if we allow Japan to control and unify large sections of China and develop China's huge resources of men and supplies under Japanese dictation we will have built up an almondeyed Frankenstein which will give us much trouble in the future.

Cards on the Table

"Now that the time is approaching for the establishment of a new order in East Asia, the days of foreign concessions in China are numbered.

There you have the real explanation of the Tientsin incident which has spread to other ports, including Shanghai.

Foreign Office Spokesman Tatsuo Kawai, by his frankness, saves the rest of the world from speculating about Japan's motives.

First pressure is centered on Great Britain because the people of Japan are better prepared for a show of hostility in that quarter. Strained efforts are being made to be considerate of United States interests, for the present, since it has been decided that a simulated appreciation of American good will is desirable.

Secretary Hull, however, is probably under no illusions as to what is in store if the British are forced to surrender to a show of force in Tientsin and Shanghai.

From a standpoint of realism, he probably knows that foreign concessions are going to be eliminated in the long run, regardless of who wins in the undeclared war. Should China survive by a miracle, her national strength could easily be recognized. Western powers, it is easy to imagine, might willingly surrender the "rights" wrested from an impotent nation in past years.

Japan's present authority to bring about this historic change, however, is without a scintilla of legal basis. The forces which have established these blockades of foreign concessions have no standing other than bandits.

They are not the guardians of China save by their own presumption. They have slain and wounded more than two million soldiers and civilians according to their own boasts. They have control over a vast area. But their right to convert all China into their own private concession is not thereby established. Nor has it been conceded by any of the Western powers.

With England showing signs of resisting, even to the point of retaliatory economic sanctions, the stage is set for more serious trouble, in which the United States will not be entirely disinterested. For this country is not prepared to admit that the days of foreign concessions in China are numbered, merely because members of the Japanese military have so decreed.

As soon as American interests are threatened, as they must be if the present tension persists, Tokyo should be prepared for a note written in word incapable of misunderstanding by our Secretary of State who coined the expression, "order under LAW."

UNOFFICIAL EMBARGOES

Prominent persons, some of them representing large groups, expressed themselves publicly a few months ago as favoring an American embargo on shipments of scrap iron to Japan and a boycott on Japanese silk.

They argued that the United States was aiding Japan in her Chinese campaign by supplying her with iron for war purposes and money through the purchase of silk despite the fact that Americans, generally, condemned the Japanese operations in China.

Now it appears that the United States Army and Navy officials, while promoting no official embargo which might have created ill feeling, have adopted a scrap-iron conservation policy about which little has been said, but which is, in effect, an embargo on shipments of scrap.

In addition, the maritime commission has in private told American shippers that old merchant vessels must not be sold to Japan.

Thus without publicity and fuss policies which are said to be making it difficult for the Japanese to carry on, have been made effective.

The silk import situation will apparently take care of itself also in the near future. A new artificial silk for hosiery making has been developed and is being demonstrated at the World's Fair in New York City. If it lives up to the claims made for it silk imports from Japan may be reduced materially.

In the near future there may be no reason to argue that we are aiding Japan.

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

DIVISION OF
PRESS INTELLIGENCE
304 COMMERCIAL BLDG.

NO.

SYMBOL

Herald Tribune (IR)
New York City

DATE

JUN 17 1939

Japan Should Be Told

Mr. Kawai, the Japanese Foreign Office spokesman, who is now touring Manchuria, has chosen this hour of great tension between his nation's authorities and the British at Tientsin for another of his inspired indiscretions. "Now that the time is approaching for the establishment of a new order in East Asia," said he for publication yesterday, "the days of the foreign concessions in China are numbered." The Tientsin situation he skimmed over in his amplification of this theme, harking back to Japan's recent demands on the International Settlement at Shanghai and expressing the opinion that the adjustment there should be "immediate."

It is fair to assume that these views are official until Mr. Kawai's government says they are not. Assuming that the statement is official, one has in it and in its context a warning from Japan that it is part of her immediate program to assume control of the foreign settlements and concessions in China and to abolish them, so far as their present character goes. This interpretation of Mr. Kawai's statement receives full support in the Japanese Navy's close blockade of the International Settlement on Kulangsu Island in Amoy Harbor, where an effort to force Japanese control upon the Anglo-American community was recently met by a British, French and American show of force, but where the Japanese have now cut off the food supply to emphasize their reiterated demands.

In these columns we have frequently argued against the imposition of economic sanctions as "measures short of war," because we cannot be persuaded that they are anything but acts of war. Japan's coercive blockade of the British Concession at Tientsin and of the international community on Kulangsu are, by the same standards, acts of war which those of us who have decried economic sanctions cannot consistently describe as anything else. Since we have Mr. Kawai's word for it that they are part of a program to alter the character of Occidental communities in China, in all of which this country has a stake and in most of which the United States has long recognized an unavoidable responsibility, the conclusion is inescapable that Japan's persistence in this policy will, as "immediately" as Mr. Kawai says she will pursue it, bring her into a state of war with this and every other nation that has similar interests, rights and responsibilities in China.

This is a conclusion which the French would like to avoid reaching because of conditions in Europe; and a state of war with Japan is one which the British are only a little less reluctant to recognize. But to ignore a state of war when it actually exists is to forfeit the whole stake for which that war is being waged. This, in the conflict which Japan has opened, is undisputed control of a China which the third-rate Japanese Army has ignominiously failed to conquer, with the option of extending that control to the whole western Pacific. This would be a loss by default which the United States could by no means afford to suffer. So, no matter what the British and French attitudes may be, it is certainly this country's duty to itself to let Japan know that the measures adopted by her armed forces against international communities in China, and the naval action against Kulangsu in particular, are war measures. She should be told no uncertain terms that it is not this country's custom to maintain friendly relations, diplomatic or commercial, for one day with nations that have gone to war with us.

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DATE

JUN 16 1939

Greatest Danger Spot

If this country is to become involved at all in the world crisis that appears to be impending, we are more likely to become a party to the threatened clash of interests in the Far East than anywhere else in the world.

Japan's threat to close the "open door" to China, to blockade what have been free ports for years and to completely dominate Oriental trade and economic life, is likely to bring this country to the side of England and France more quickly than any of the more spectacular crises that have been occurring in Europe.

Prime Minister Chamberlain realizes this full well. Yesterday, speaking before the house of commons, he declared that if Japan persisted in the blockade of Tientsin and other Chinese ports, joint action by England, France and the United States would be likely. There was no denial in this country that we might join in such an alignment. Our trade and economic ties with the Orient are so vital, our future interests there so great that complete dominance of that market by Japan would deal us a severe blow.

The feeling in Washington seems to be that such a move would mean war with Japan sooner or later and it might as well be at once. The fact that the Japanese backed down and indicated a willingness of compromise with England immediately after the three-power joint action was proposed, indicates that Tokyo realizes full well what a showdown would mean and is not ready or willing to hazard it now.

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Enquirer (ID)
Cincinnati, Ohio

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A Challenge In The Far East.

The position in China is unprecedented, but quite consistent with the trend of national policies in Europe. Japan wants to drive Western powers out of the ports of China, as far as possible. She cannot drive the Chinese out, nor indeed convert them to a pro-Japanese policy except in small numbers and limited areas.

But foreign interests in China are highly concentrated, except for mission schools and hospitals, in a few small areas in or near the principal seaports. They are vulnerable, except as the British, American, and French Governments stand squarely behind them.

Japan, although refusing to declare war against China, is waging a war of invasion and governing a large conquered area. And although enjoying none of the rights of a belligerent, rightfully, she is now blockading the two foreign concessions of Tientsin as well as that in Amoy. These are test cases; if Japan wins them, she will assume control of all the treaty ports. And the Western powers will have lost a position in China which they established only through many decades of effort.

While not theoretically barring the entry of food into the foreign concessions, the Japanese military has in fact made the existence of foreign companies and foreign populations in Tientsin well-nigh intolerable. It is the Japanese who for years now have warned against the unjustness and peril of the economic boycott as an international weapon. But it is the Japanese themselves who are now using it to an extreme point against the powers of the West.

There are but two intelligent courses for the United States, Britain, and France. One, although humiliating, is realistic. It is to withdraw from China, abandon their extraterritorial rights there, and recognize frankly that Japan is top dog in Eastern Asia. This, of course, would be costly for the shareholders in a great many corporations doing business in China.

The other course—more self-respecting and more foresighted, but calling for some courage and a little risk—is a vigorous common policy of the three interested Western powers. This might begin with financial and economic measures against Japan. In all probability it would end there, for Japan is not in a position either to face real economic punishment from the West nor to invite hostilities while so deeply involved in China.

Whatever the decision, it should be made promptly and should be common to the three interested powers of the West. A policy of paper protest and listless acquiescence will not insure the safety of America's interest in the Far East.

DECLASSIFIED: E.O. 11652, 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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Wall St. Journal
New York City

DATE

Remarks:

Tokio Makes It Official

It is reported from Tokio on the authority of the semi-official Domei News Agency that the Japanese Cabinet has given full approval to the measures which the local Japanese authorities, military and civil, are using to exact "co-operation" from the British. From the Japanese capital it is also reported that the spokesman for the Foreign Office has stated that his government trusts its officials in Tientsin to take care of Japan's interests there and intends to leave the situation in their hands. This is another way of saying that the recognized and responsible government of Japan approves of the tactics which its agents on the mainland have adopted to extort from the Occidentals there a surrender to Japan of their treaty rights.

The measures taken, as we have already said, are acts of war, whether the British recognize them as such in the more conspicuous Tientsin case or not, and they are acts now extended against Kulangsu and threatened against Shanghai. We, therefore, have assurances from Tokio passed out to the press by competent authorities that the Imperial Japanese government approves acts of war against several Occidental powers with which it keeps up a pretense of friendly relations, and that it proposes to permit its agents in China to persist in creating a state of war with these powers. So the problem of what to do about it is no longer one raised by ignorant, frustrated, desperate and insubordinate generals, who seek to recover face lost to the once despised Chinese by hectoring small communities of Occidentals who are thousands of miles from succor. It is a problem posed by the government of Japan itself.

Whether this is done under Japanese military coercion; or whether it is inspired by assurances from Rome and Berlin that the European totalitarians will shortly give the Occident so much to fret about that Japan can challenge the wrath of Great Britain, France and America with impunity; or whether the reckless fury of Japan's thwarted army has now spread to the islands and has robbed officialdom there of all ambition to keep up pretenses, the world has yet to learn. The last possibility is one worth considering. The possibility that Japan would anticipate exhaustion in China by promoting and perishing in a world conflagration, big enough to do her self-esteem justice, has already been suggested in these columns. It is interesting to find that Mr. John Gunther in his recently published "Inside Asia," in which so many useful sidelights are thrown on scores of the old continent's baffling problems, learned from the Japanese themselves of this alternative to ruin at China's hands. He says:

It is of interest to point out that a deeply rooted characteristic like harakiri may, conceivably, express itself some day in national as well as individual terms. I do not mean that the Japanese are at the moment committing suicide in China. But I have heard several Japanese say that, rather than suffer defeat by China, they would deliberately attack a stronger foe—Russia, for example—and perish in a really first-class conflagration.

If this is the mood, it is not one that will be soothed with soft answers to truculent demands and bandit methods. When a desperate Oriental runs amuck his frenzy is not assuaged by the meekness of his victims. The American people are not proud of the material contributions they have already made to Japan's ghastly adventures in China. This is the time to be done with it; for if official Japan has gone as mad as her army, there is no service we can do her people now by cooing more sweet diplomatic nothings to them about treaties, rights and proprieties.

'Get Out,' Says Japan

Great Britain's celebration over the unqualified success of the royal visit to the United States has been rudely terminated by growing tension in Europe coupled with a studied Japanese move to show, once and for all, who's boss in China.

After many false starts, the military of Nippon has chosen the important port of Tientsin as the place to demonstrate that long-established foreign rights mean nothing.

The primary target is Great Britain, which has been making a desperate effort to maintain its dignity under difficult circumstances, but both France and the United States will be affected by the decision to blockade the international concession boundaries in Tientsin.

If Japan on this occasion carries out its threat and if England, at the last minute fails to appease, the end of extra territoriality will be at hand. With Tientsin as a starting point, Japan may be expected to assume unlimited power in all centers, even Shanghai.

The white man, who has been on his way out these many months, will have been relieved of his "rights" at the bayonet point with a tremendous loss of face.

As far as England alone is concerned, Japan's military knows that no effective resistance is possible. Even as the "Clear Out" sign is raised in China, the wily Hitler, noting that England's King has ended his visit to the United States, is losing no time in putting the heat on some of his small and helpless neighbors.

Things are beginning to happen once more. Incidents are being created and magnified. It is as if there were a concerted move to show the democracies that they have been taking themselves too seriously of late and have been misled, perhaps, by stronger ties of friendship between England and the United States.

With their usual caution, the British are willing to effect a compromise on the Tientsin situation, especially in connection with the demand for surrender of certain fugitive Chinese, but their antagonists say that more issues are involved. The blanket indictment is that aid and comfort has been given the Chinese, and the ultimatum goes out that there must be an end of it.

This new and dangerous issue may be smoothed over without a rupture of relations, but it is a definite sign of the course decided upon by Japan after careful consideration.

The time has come, in Tokyo's estimation, when Western powers must recognize Japan's conquest and concede that nation's power to usurp the rights of all others.

We are confronted, therefore, with the issue that has been anticipated and feared for many months; and it is well to recall that Secretary Hull, in various notes to Japan, has taken the flat stand that legal rights are not to be surrendered merely because Japan now has the upper hand through international brigandage.

Our Stake in Tientsin

It is not a tempest in a teapot which is brewing in Tientsin, but a symbolic and fragile teapot in a very real tempest which is involved. It is now patent that several things are at stake, among them (1) British prestige, or what remains of it, throughout the Far East; (2) a test of the new-found British spirit to resist aggression; and (3) the existence of extra-territoriality in China for nations now possessing such rights.

It is this last question which most directly concerns our own country. It is apparent that, if Great Britain accedes to the Japanese demands, the rights hitherto reserved to the foreign concessions in China will disappear rather speedily. Moreover, this in turn will be followed by virtual destruction of all third-party rights in China. We do not have to guess that this will be so; the Japanese military tells us that it will be so when they demand, from now on, complete "co-operation" from the British in building the "new China." The New China explicitly means Japanese China, Manchukuo-ized China. We do not have to guess that, either. The Japanese candidly tell us just what their intentions are.

Now since, very shortly, this question will affect our interests directly, it would be the part of wisdom to determine now just what we should do about the matter before the Tientsin solution is reached. If we do not wish to become embroiled with Japan, it would be the logical and intelligent course to abandon our position in the Far East as quickly and as gracefully as possible. The few weeks or months which might be gained by waiting until we are thrown out would be worth neither the effort nor the loss of dignity. If we propose to stand on our rights and remain, we had better realize to the full the intentions and the deadly, undeviating seriousness of the Japanese army. We had better realize these things, and count what it will cost if we are to stand on our historical position in the Far East. The problem is not merely imminent, it is at hand, for our decision on cooperation with the British and French in the matter must logically determine what we do when the question is put up to us directly.

Whatever the solution, we had better face the question now. Immediately, the decision rests with the President and the Secretary of State; ultimately, it must reflect the predominant desire of our people either to sacrifice completely our opportunity to trade directly with China or to accept whatever risks there may be in asserting and defending our commercial rights in the Far East.

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Times-Herald (I)
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News (I)
New York City

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Could It Be Done?

The Japanese blockade situations at Tientsin and Amoy grow more ominous for the British. In a slightly less direct, less immediate way, they grow more ominous for us Americans.

If the Japanese are determined to force a showdown between themselves and the white man in Asia, is there any way to give them as good as they send?

On Page 2 we print a map showing how the United States and British navies, acting in concert, could clamp a long distance blockade on the Japanese Empire.

Blockading the Japanese Empire

The Japanese Empire's sea-going trade could be choked off by the United States and Great Britain in the manner outlined on this map. To do it, we would have to enlarge on the present belief of some of our lawmakers that, to show our abhorrence of war, we ought to have self-denying ordinances forbidding American supplies to go to warring nations and keeping warring nations' ships from coming and getting American supplies.

This blockade would mean that no Japanese merchant ship could go to any port in the Western Hemisphere, or to any East Indies port, or to Europe via the Indian Ocean. Japanese trade would be confined to the Asiatic mainland—where Japan is currently having grave trouble making the Chinese buy any Japanese goods, and no success at all in making them like it.

Such an American-British effort to throttle Japan into tapering off its Asiatic imperialism would not have to be confined to a joint blockade. Chiang-Kai-shek's Chinese fighting forces could be aided even more than they are being aided now, by increased shipments of American and British war supplies to the Chinese interior via British Burma and French Indo-China.

Japan being already in fairly desperate straits in its war in China, the process of squeezing the Japanese military caste to its knees ought not to take very long. Our guess—purely a guess—would be a year or so.

It could be done. The other question is—

SHOULD IT BE DONE?

This newspaper is isolationist as regards American entry into another of Europe's habitual wars. Nor would we like to see any American troops landed in Asia, to be swallowed up in the vastnesses of either China or Japan-in-China.

Bloodless Conflict

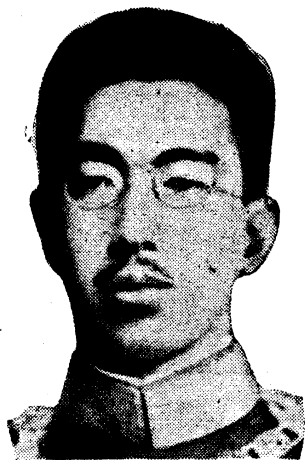
Not that such a thing would be unethical, or contrary to international law, in these days and times. International ethics and law went by the board sometime ago. Nations now walk into and out of one another's territory without declaring war; practically anything goes.

Our main objection to sending troops to China, of course, is the obvious one that we don't want to have a lot of American boys killed. Besides, the Chinese already have vastly more man-power than we have. Chinese make good soldiers when properly trained, as this war has shown. What Chiang Kai-shek chiefly lacks are materials and trainers.

The materials, at least, could be supplied by ourselves and the British. This help could be supplemented by the above outlined long-distance blockade, which in all likelihood would go from beginning to end without a major sea fight, because the big Japanese battleships could not come far enough from their bases to try to break

JAPAN GROWS MORE TRUCULENT

Japan's latest moves in its Chinese war remind us of Germany's increasing truculence in 1917-18, when Germany's more realistic leaders were aware that Germany couldn't win the World War except by a miracle.



Emperor Hirohito, Japan

Japan, its conquest of China confined mainly to railway lines and important roads, now seems to think of taking on several more enemies. That would be the only way for the Japanese military caste to save face in case of collapse. They could alibi that it took most of the rest of the world to lick Japan.

Whatever the motive, the Japanese have clamped down a blockade on the British and French concessions in Tientsin, important North China city. Trapped inside are about 400 American civilians, 233 U. S. Marines, 6,000 other foreign devils of various nationalities, and 100,000

Chinese. The Americans in the area are reported to be favored by the Japanese blockaders in the matter of bringing in food from outside; apparently the other foreigners are to be subjected to a course of semi-starvation if not complete deprivation of food.

The Japanese first explanation of the blockade was that the British inside the Tientsin concession have been protecting four Chinese terrorists whom the Japanese want for firing squad purposes.

The issue has now broadened out from that original dispute.

The Japanese also insist that the British stop trading with Chiang Kai-shek's Chinese Government. Britain is not at war with either China or Japan. Hence, under international custom prevailing throughout history, Britain has a right to trade with both China and Japan. It is for Japan to blockade Chinese ports if it can. Instead, Japan is trying to blackmail the British into getting commercially into the war on Japan's side.

The British course in this latest Far East crisis is undetermined at this writing. Foreign Undersecretary R. A. Butler told the House of Commons yesterday that the British Government was considering reprisals against the Japanese for the Tientsin blockade, but had not decided what form those reprisals would take. Butler said the Foreign Office was waiting for a full report on the situation, especially on the question whether British residents at Tientsin are suffering as yet from food shortage or rises in food prices.

It is a British headache up to now. But it might be advisable for us to cut ourselves in on this headache and try to help the British cure it. In doing so, we might save ourselves a headache if not a major war later on.

A Joint Blockade

The British can yield to the Japanese demands. Or the British can wish their nationals in the Tientsin concession lots of luck, and proceed to take steps of a damaging nature against Japan.

The logical British reprisal, we should think, would be to set up a counter-blockade against Japan. We mean a naval blockade based on Singapore, with commerce to or from Japan barred as regards Europe, the Indian Ocean and the rich East Indies.

Japan's economic system is known to be badly strained because of the unexpectedly long and-unlucky adventure in China. To choke off a large piece of Japanese sea business would deal that system a serious blow.

Should the British decide to do this, we think our Government ought to consider setting up an auxiliary blockade designed to cut off Japan's Pacific Ocean trade. Our blockade could base on the Aleutians, Hawaii and possibly an auxiliary base at Samoa. It could cut off Japanese trade with the entire Western Hemisphere. Our ships could park so far away from Japan that it is hard to see how the Japanese Navy could attempt to break the blockade without disaster to itself.

If the United States and Great Britain between them could choke the Japanese Empire into a revolution, that would mean the downfall of the Japanese military caste whose ambition is nothing less than world conquest. It should mean the reorganization of the Japanese people into peaceful and productive nation, menacing nobody.

If Japan blackmails the British into helping Japan conquer China, and then organizes China into a

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The materials, at least, could be supplied by ourselves and the British. This help could be supplemented by the above outlined long-distance blockade, which in all likelihood would go from beginning to end without a major sea fight, because the big Japanese battleships could not come far enough from their bases to try to break the blockade.

We imagine that the farther West one went in this country, the stronger the sentiment one would find for such an American-British move against Japan. The people on the Pacific Coast, for example, understand fully the enterprise and aggressiveness of the Japanese, as well as their ability to live on a lot less than an American can.

It seems to us that anybody can grasp this proposition: That if Japan is allowed to go ahead with its present Asiatic conquests, and to organize China into a vast workshop, soldier training school and raw material warehouse for Japan, it will be at least six times harder for the United States and Great Britain to halt Japan than it would be at the present time.

With which observations, we leave you to form your own opinion on the question whether the United States should join with the British in an effort to stop Japan with comparatively little or no bloodshed now, or wait till later.

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If Japan blackmails the British into helping Japan conquer China, and then organizes China into a working for the Japanese, we shall in all likelihood be on Japan's list.

JUN 16 1934
Boston Evening Transcript

The Far Eastern Crisis

oversimplification to regard the Chinese deadlock in Tientsin as any more momentous than a head-on collision between Western imperialism and the imperialism of Japan to supplant the Occident in Asia.

It is true that the present crisis in China has been used, profitable to the Axis Powers, of distracting Britain in Europe, and that it may be of value to Japanese militarists in assuaging their people's desire for visible results from the Chinese campaign. But this crisis is more fundamental than these things. It represents a critical stage in the sustained historical imperative of Japan to dominate Asia, an imperative of Japanese foreign policy since the "land of the rising sun" became partially Occidentalized.

By the end of 1938 Japan had achieved virtually complete hegemony over North China, where the Western Powers still continued to cling to their special privilege of extraterritorial courts and their international concession areas in such trading centers as Tientsin. The resulting Japanese stoppage of payments to British bondholders in Chinese railway enterprises, Japanese establishment of a wool monopoly exclusive of foreign merchants and a series of incidents, of which the sinking of the Panay struck nearest home, announced to the Western World that Japan was moving swiftly to end the supremacy of the West in China.

The present Japanese blockade of the British concession in Tientsin, with its accompaniment of drastic demands upon Britain, reveals that Japan is now moving even faster in this direction. One of the Japanese demands is that Britain co-operate with her in establishing a "new order." A "new order" could mean to Japan only the domination of China by Japan and the virtual annihilation of Western privileges. It could mean only the final dissolution of the American Open Door Policy and the Nine Power Treaty, with their provisions for "equal trading opportunities" for all foreign Powers.

If Western imperialism in Asia, for which this paper holds but slight brief, confronts its twilight hour, it may blame, in large part, its own excesses and ineptness. America's post-war ban on Japanese immigration needlessly antagonized Japan. Commercial greed of the Western Powers, expressed in all kinds of trade restrictions, helped destroy Japan's liberal civilian government during the late 20's and brought military expansionists into power. The West's refusal to permit China to collect customs duties at her own port impaired China's chance to become financially strong enough to organize effective resistance to Japan. And in 1931, when Japan might still have been halted, the United States was left with its diplomatic chin thrust way out, after Great Britain refused to follow the lead of the Stimson note.

The dilemma of the Western Powers is acute. While the United States has relatively slight trade interests in China, she has been the chief sponsor of the Open Door Policy, and she hesitates to abandon Asia to Japan lest her prestige suffer and aggression be stimulated. Britain's problem is far more difficult. Her trade in China is considerable. Moreover, a show of firmness is an instrument of British empire policy. To yield to Japan would be to confess a weakness that no colonial empire could easily afford. It would have particular reactions in India which perennially needs but slight encouragement to flame into revolt.

It is against such ponderables and with respect for vastly more numerous imponderables that present events in Asia must be studied. They serve to lighten the almost insuperable problems of Western foreign policy in a world of revolutionary changes. Perhaps, solution would be speeded if the statesmen of the Western democracies clearly redefined their policies (liquidating as much of their imperialism as possible and throwing their influence toward a new world order (not Japan's) based upon greater equality of power, raw materials and trade opportunities.

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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

Norfolk Ledger-Dispatch JUN 21 1939

One Way to Curb Japan

For a number of years the United States has gone calmly about the business of supplying the Japanese with the means of carrying out their plan of conquest which now confronts the world with a grave crisis. Millions of tons of scrap metal, vitally necessary in the manufacture of munitions, have been exported to Japan from this country in the last half dozen years. The shipments not only have played into the hands of a potential enemy of the United States, but have depleted our own reserves of this essential to our national defense. But all protests from military and other sources have come to nothing.

Now, however, there seems to be a disposition in Washington to do something about it. It is proposed, according to authentic reports, to place the exportation of scrap metal from this country on a quota basis, applying to all nations. The purpose, of course, would be to cut down the supply of this material which has been going to Japan. The quota system as suggested would reduce Japan's purchases of scrap metal in America, it is said, to about one-third of the quantity purchased during the last few years. This restriction would not completely cure the evil which has grown out of our open-handed policy in the matter of supplying war materials to the nation whose openly avowed ambitions constitute a serious menace not only to the security of other democracies but to our own security as well. But it would inevitably hamper the Japanese program of aggression and the plan would have the virtue of being all inclusive and therefore of avoiding the danger of raising the question of neutrality.

The freedom with which Japan has been permitted to draw upon this country for war materials and supplies which have been used for purposes clearly threatening, directly or indirectly, the interests of the United States has been a subject of widespread concern. It is perfectly apparent now where this policy has led us. Had we clamped down upon our traffic in war materials with Japan at a time when it was evident even to the most casual observer that the Japanese were mapping a course in the East that would seriously

threaten our own well-being, some of the difficulties which that course now has raised for all the democracies would have been avoided. No one in this country can be so blind as to fail to recognize the menace to our own peace which has grown out of the turmoil created by the Japanese thrust for domination of the East.

We have been handing over to our "next probable enemy" the implements with which it has created one dangerous incident after another. It is the feeling, we think, of the great body of thoughtful Americans that we should have stopped this traffic long ago. It already has caused great harm. If the delicacies of diplomacy require that we go no farther than it is now proposed to go, we certainly ought not to hesitate to take that step.

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

Intelligencer (R)
Wheeling, W. Va.

DATE JUN 19 1972

UNCLE SAM AND THE FAR EAST

Viewed in its broadest aspect, the present Tientsin affair involves the future of occidental prestige in the Far East. Should the Japanese yield to the British disposition to resist aggression, the various foreign concessions in China will continue much as they have in the past, at least for the time being. Should England accede to the Japanese demands, it seems inevitable that all of the foreign concessions in China will disappear very shortly.

Which raises the question: What should the United States do about it?

Discussing this matter, The Wall Street Journal says:

If we do not wish to become embroiled with Japan, it would be the logical and intelligent course to abandon our position in the Far East as quickly and as gracefully as possible. . . . If we propose to stand on our rights and remain, we had better realize to the full the intentions and the deadly, undeviating seriousness of the Japanese army. We had better realize these things and count what it will cost if we are to stand on our historical position in the Far East.

Whether we should "abandon our position" in the Far East at once, or simply await developments, it seems clear to this newspaper that we should not for a moment consider getting into trouble over it.

It is not a question of whether or not we could succeed in maintaining our position against Japanese opposition. It is a practicable one of whether or not the effort would be worth while. To begin with, this newspaper does not believe that our material relationship with China is of sufficient importance to justify extreme measures to preserve it as is. Nor do we feel that the virtual disappearance of foreign strongholds in China would damage our trade in the long run so much as seems to be assumed. Japan has more at stake than we have in the matter of trade relations. Finally, it is not so clear that our "rights" in China are either natural or inviolate, despite their historic background.

We are not so sure but that the best thing the World can do, and most certainly the best thing the United States can do is to leave China and Japan to their own devices.

DIVISION OF
PRESS INTELLIGENCE
COMMERCIAL NAT'L BANK
BUILDING - ROOM #304

NO.

SYMBOL

Times (R)
Toledo, Ohio

DATE

The Blockade Is Not An American Issue

Under the surface of the Japanese blockade of the British concession at Tientsin are several problems which have considerable explosive power.

Japan may or may not be wholly interested in the British concessions which are the object of the blockade. It is not improbable that the blockade is a co-operative move with Hitler and Mussolini to keep Great Britain busy in the Orient.

Japan can be reasonably certain that the John Bull does not want to fight. If he were in a fighting mood, there have been many occasions in the last few years which gave sufficient cause for war.

Japan also knows that the fleet of the United States is concentrated in the Pacific, while the floating fighting forces of England and France are hanging around European waters glowering at Hitler and Mussolini.

But the United States is not greatly involved in the Orient. At least we are not nearly so much concerned as England and France. Japan is being careful not to offend the United States in the present stand but is showering Great Britain with all imaginable insolence, almost baiting Britain into a fight, knowing well that Britain will fight only with economic and diplomatic weapons.

Japan's position in the Orient is exactly the same as that of Germany and Italy in Europe. Japan is expanding to relieve a congested population. That is also Italy's problem and Germany's.

Great Britain will not move an inch toward open conflict without the active support of the United States, and Japan is being careful not to give the United States any real cause to stick a military finger in the Chinese pie.

It is apparent that we have some kind of naval agreement with Great Britain and France, but this agreement, whatever it calls for, cannot be strong enough to make us go to the defense of English concessions.

Our remote interest in the blockade is that Japan's policy is threatening the governmental philosophy for which we stand.

This is hardly enough to warrant our pulling British and French chestnuts from the fire.

The British king and queen can eat our hot dogs forever, before we shall fire a shot in the interest of Britain at Tientsin.

DECLASSIFIED: E.O. 11652, 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
PRESS INTELLIGENCE
304 COMMERCIAL BLDG.

NO. 2

SYMBOL SS

Inquirer (I)
Philadelphia, Pa.

DATE JUN 10 1935

Remarks:

We Should Watch Our Step in China

As Japanese and British armed forces stand guard at Tientsin, it would be difficult to overestimate the gravity of this new crisis, the ramifications of which conceivably extend to Nazi Germany and Fascist Italy.

Peace on virtually a world-wide scale may depend on a satisfactory settlement of the dangerous issues that have arisen between the British and the Japanese.

It is a situation in which the United States, whose people are sternly determined never again to stumble into a foreign war but who have large commercial interests in China, should watch its step with the greatest care.

Prime Minister Chamberlain and Secretary of State Hull confirm that the British and American Governments have consulted concerning the Tientsin affair. Exchange of information between the two Governments doubtless is necessary. But it is believable that the average citizen in this country is vigorously and irrevocably opposed to any commitments to Great Britain which might draw the United States into an Asiatic war.

Britain's conflict with the Nipponese at Tientsin, now spreading to other cities, has passed far beyond the initial stage in which the English authorities refused to hand over to the Japanese four Chinese accused of killing a Tientsin official.

Japan now demands that the British "discontinue protecting anti-Japanese elements;" "cease supporting Chinese currency;" "cease hoarding goods, thereby causing price increases;" cease using an unregistered radio station in Tientsin and that the English allow the use of Japanese-prepared schoolbooks in the British concession.

What all this seems to amount to is a resolve on the part of the Japanese to force the retirement of the British from any important role in the economic life of China. The Japanese are determined to rule the roost.

But there are other portentous factors in this situation. Japan's apparent decision to force a showdown coincides with a fervid attempt by Great Britain to enroll Russia in the anti-aggression front in Europe. Even as the Japanese made their demands a British mission in Moscow was trying to persuade the Soviet Government to join with England and France to enforce peace.

Anything approaching a military agreement by Britain, France and Russia would be a serious obstacle to Japan in pursuit of her ambition to subjugate China. There have been plenty of indications that Japan is not yet ready for war with the Soviets. Yet a Russia emboldened by a Western alliance might be a serious problem.

At another aspect of this Japanese "blockade" of British and French concessions in Chinese cities is that it has been Tokio's practice to force issues and make advances at moments when the European democracies were confronted over troubles nearer home.

In the present instance there have been intimations that Hitler is figuring on a new stroke of aggression reasonably near future. What more natural development, with history as a guide, than for the Japanese to stage a war scare to divert the minds of British and French statesmen to the Orient? It is possible to suspect a connection between Berlin and Tokio strategy.

This much is certain: Both England and France have been preparing energetically to meet a European war crisis. They are unquestionably in better condition to repel attacks in Europe than they were this time last year, but they are plainly not ready to fight a successful war in the Far East, much less to conduct simultaneous campaigns in Asia and in Europe.

Relatively speaking, England and France have only a handful of soldiers in China. British Hong Kong could not stand a protracted siege by the Japanese, and the excellent British military establishment at Singapore would be of only dubious worth in the event of generalized warfare.

The only circumstance, conceivably, in which Britain could risk war in China at this time would be with the wholehearted assistance of the United States and its Navy.

Right there is the point where every American should stop and think.

In the first place, the conflict at Tientsin almost wholly

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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

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Right there is the point where every American should stop and think.

In the first place, the conflict at Tientsin almost wholly concerns Britain and France. America has no interests there of any importance.

Second, Japan obviously is aiming this particular anti-foreign drive at the British.

Third, although it is perfectly understandable that the Japanese may seek to banish the Americans by the same tactics they are using against the British, they have not yet pointedly done so.

Fourth, America already has been too complacent about protecting England's interests in China.

This specific problem primarily is for Britain and France to solve. It is not essentially our problem. If Britain urges "Let America do it" the answer should be a firm and uncompromising "No!"

We should not fight any other country's battles in Asia or elsewhere. Furthermore, we want no alliances, commitments or understandings by which we might be dragged into any other countries' foreign wars.

7088

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

DIVISION OF
PRESS INTELLIGENCE
304 COMMERCIAL BLDG.

NO. 2

SYMBOL S 75

Record (I)
Philadelphia, Pa.

DATE UN 17 1939
Remarks:

Shall We 'Rescue' the British?

Prime Minister Chamberlain hints broadly that the United States and France are co-operating with Great Britain in opposition to the Japanese blockade of the British concession in Tientsin.

There is no way of knowing how far this co-operation has gone or how far the British have asked us to go in protecting their interests in the Orient. But militant U. S. intervention in China over the Tientsin issue would be scarcely consistent with our past policy.

The British themselves refused to co-operate with us in trying to block the seizure of Manchuria. Since then both the British and the United States have acquiesced in the occupation of whole provinces of China proper, the bombing of defenseless cities, the slaughter of millions of Chinese.

Throughout it all the U. S. State Department has steadfastly refused to admit that a war was going on in China. We have supplied Japan with scrap iron and even aerial bombs.

After that can we suddenly get our backs up on the issue of foreign concessions in China? Morally, we haven't much more right to extra territorial privileges that the United States and other Western nations enjoy in China than the Japanese have to the area they have conquered.

Are we going to make a stand in behalf of the handful of nationals and the unimportant commercial rights in the Orient, when we wouldn't make a stand on behalf of the helpless Chinese?

We believe intervention in China would be a wrong course for the United States in any event. But intervention on behalf of the Chinese has a lot more to be said for it than intervention on behalf of British imperial interests.

JUN 23 1939

Philadelphia Record

WHY RUSH IN WHERE THE BRITISH FEAR TO TREAD?

How is it that representatives of the United States suddenly get tough toward the Japanese? We weren't defiant when the Japanese took over Shanghai. We haven't put a stop to the sale of scrap iron to Japan, scrap iron used to kill millions of Chinese.

But now Admiral Yarnell defies a Japanese evacuation order and Secretary Hull sends a complaint. Is this sudden stiffening due to the Japanese blockade of the British at Tientsin? Are we more indignant about what is done to the British than what has been done to the Chinese?

If so we are much more concerned than the British themselves. They don't seem to be worrying.

Confronted with Japan's blockade, Prime Minister Chamberlain told the House of Commons the situation was serious, that the Cabinet was "watching closely."

When the Japanese strung a live wire barricade around the British concession, Mr. Chamberlain was content to observe:

"The Government is fully alive to the reactions of the present dispute. . . ."

This week the Japanese stripped three Britishers, prodded them with sticks—for the admitted amusement of a crowd of Chinese.

And in Rome the *Popola d' Italia*, Mussolini's newspaper, observes:

"The days are gone when if an Englishman's hat was knocked off, a warship would be sent full steam to the scene. Now either there are not enough battleships or else Englishmen no longer have hats to be knocked off."

It is not for the United States to determine British policy in the Far East.

But if the British, with their vast investments in the Orient, choose not to make even a formal protest over this assault upon British prestige—

Then why should the United States rush in?

Japanese technique is obvious enough. Born imitators, they now copy Hitler, whose modern application of the principle of "divide and rule" has worked so successfully in Europe.

Britain is singled out as the enemy of the moment. The United States is ballyhooed as a friend. Even the old frictions with Soviet Russia are submerged for the time being.

All the Jap moves are directed at Britain. Shrewdly, too, because Britain has the most to lose, which means that from Britain the Japs have the most to gain.

Recognizing this, some Americans may hasten to the conclusion that we should support the British, even if they won't support themselves.

We are beginning to hear again the cry that there must be a "united front" of the democracies, this time in the Orient.

But before any such moves are made, it may be well to consult history. No American with sense will forget WHY Britain left the United States out on a limb in the protest over seizure of Manchukuo: because the British made a deal with the Japs which was more profitable than support of our altruism.

Suppose we rush to Britain's help now. What reason is there to believe that we will not be double-crossed six months or even six weeks hence?

The wily Japs would quickly turn upon us and appease the British. And if there is anything the present British Government goes for it is appeasement. It would make a deal with Japan at our expense just as readily as it sold out Ethiopia, Spain, Austria and Czecho-Slovakia in turn.

The Achilles Heel of any "democratic front" is concealed in Neville Chamberlain's umbrella.

Let Americans bear that in mind.

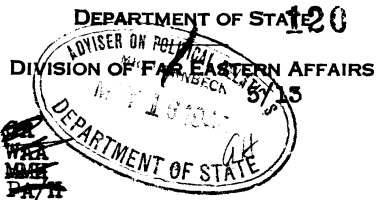
Much as we admire British culture, close as are our ties with the British people, the Government of the United States cannot again engage in the monumental folly of gambling on the word of British politicians.

Rescue of the Imperial Chestnuts in China is a job which must be done by the British if it is to be done at all. Many Britishers seem to feel that even the big stake they have in the Orient is not worth a war. We can be sure that our stake isn't.

That's why we again warn Washington to keep out.

WHY SHOULD UNCLE SAM RUSH IN WHERE
THE BRITISH FEAR TO TREAD?

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



Reference Hanoi's despatch
No. 79 April 20.

Despite intense Japanese
air attacks and the loss of
at least 60 trucks in March
and April, the Caobang road
continues to be an important
supply route, cargo moving
into China at the rate of
more than 1000 tons per month
in addition to the trucks.

Chinese agencies state
that it is expected to speed
up transportation by this
road to perhaps 50 trucks a
day.

ECK
ack

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

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NO. 79



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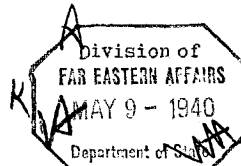
121

AMERICAN CONSULATE GENERAL

American Consulate Service, Hanoi, Indochina,
April 20, 1940.

SUBJECT: Bombing of Caobang Road.

COPY IN PARAPHRASE
SENT TO TREASURY
IN CONFIDENCE *efl*



THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

For Distribution-Check		Yes	No
Grade	<i>A</i>		<input checked="" type="checkbox"/>
For	<i>Rec'd</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
To field In U.S.A.		<i>CN</i>	<i>MIR</i>

SIR:

I have the honor to report, with reference to my despatches dealing with the Caobang road as a route of transportation to China, that the Japanese air force has been particularly active during the last month bombing the road and various towns along the road. Chinese losses in trucks and material have been comparatively heavy, it being estimated by non-Chinese observers that at least 60 trucks have been destroyed within this period.

It is reported that within the last few days 18 trucks were machine-gunned and destroyed at a point not over 50 yards from the Indochina frontier. It would appear that during this attack the Japanese planes flew over Indochina territory. It is also reported that a small Chinese town, near the frontier, was literally razed to the ground by unusually heavy bombing. The major loss at this latter point is said to have been a godown storing cotton cloth (for uniforms) for the Chinese Ministry of War. I am informed that Pingma has been bombed on several recent occasions.

Notwithstanding

793.94/15866

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103

793.94
DIVISION OF
FAR EASTERN AFFAIRS
MAY 18 1940
Department of State

122

MAIL


- 2 -

Notwithstanding this increasing activity on the part of the Japanese air force, the Chinese transportation agencies continue to send convoys of trucks loaded with gasoline and petroleum products, spare parts, et cetera, generally in groups of from 20 to 25 trucks. Cargo at the rate of about 1,000 to 1,300 tons a month is being moved into China, in addition to the trucks themselves. Chinese agencies at Haiphong state that they expect to speed up transportation by this road to perhaps 50 trucks a day.

A recent observer of road conditions commented that the Indochina section shows a very definite improvement but that the Chinese section, between the frontier and Pingma, has deteriorated somewhat, due possibly to the bombing activities of the Japanese.

Respectfully yours,

For the Consul at Saigon,


Charles S. Reed II,
American Consul.

In duplicate to the Department (Original by air mail)
Copies to the Embassy, Chungking and Peiping
Copies to Consulates General, Hongkong and Shanghai
Copies to Consulates, Kunming and Saigon

815.4

CSR:csr

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

ACCESS RESTRICTED

The item identified below has been withdrawn from this file:

File Designation 793.94/15867
Date May 8, 1940
From Int Committee of ~~YWC~~ YWCA of JAPAN
To State Dept. (DW EE AFFAIRS)

In the review of this file this item was removed because access to it is restricted. Restrictions on records in the National Archives are stated in general and specific record group restriction statements which are available for examination. The item identified above has been withdrawn because it contains:

☐ Security-Classified Information

☒ Otherwise Restricted Information

R. E. Hux
Authority

5-24-73
Date

GENERAL SERVICES ADMINISTRATION

GSA FORM 7117 (2-72)

GSA DC 72-10421

WITHDRAWAL NOTICE

793.94
CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments of month of February,
1940.

For the original paper from which reference is taken

See #4611
(Despatch, telegram, instruction, letter, etc.)

Dated Mar 27, 1940 From Japan (Grew)
To

File No. 894.00 P.R./147

793.94 / 15868

15868

-15-

(b) China.

1. Military operations.*

19394
(14 15-20)

It will be recalled that at the end of January the Japanese were engaged in a large-scale drive westward from Paotow in Suiyuan Province. During the first days of February the advance was vigorously pushed, and on February 3, Wuyuan was captured, followed by the occupation of Linho on the next day, and Shanpa on February 5. In an eight- to nine-day period Japanese forces had advanced some hundred^{and} fifty miles and had gone as far west as the border of Ninghsia Province. It was announced later in the month that on February 15 Japanese forces were withdrawn from the entire Wuyuan area for reasons that were not disclosed in this country.

In South China, the Japanese offensive launched at the end of January, reportedly to meet a counter-offensive of a large number of Chinese troops on Nanning, was brought during the first days of February, according to Japanese accounts, to a successful conclusion. In the Nanning-Pinyang-Wuming area, by February 8, the Japanese claimed to have completely routed the Chinese troops after severe fighting. Like the withdrawal in the Suiyuan campaign, however, after that date the Japanese forces were reported to have retired to their positions held previous to the campaign just completed. Whether the withdrawal was deliberate or forced by Chinese pressure could not be ascertained.

Other

*Prepared with the assistance of the Office of the Military Attaché.

-16-

Other fighting occurred in Shansi in the, apparently, monthly clean-up campaigns of that province; in Hupeh in continuation of the fighting there that started in January; in the eastern end of the Shantung Peninsula; in rather heavy and indecisive fighting near Wuhu in Anhwei Province against a fairly large-scale Chinese offensive aimed at cutting the Yangtze River at that point; and also against several offensives by sizable Chinese forces in Kiangsu Province. There were the usual sporadic campaigns against guerrilla forces and regular Chinese army units in occupied territory. Little aerial activity was reported during the month.

It was announced that the Japanese had successfully organized so-called "Chinese Peace and Salvage Corps" which were being used in several places, particularly South China, in operations against the forces of the National Government. Particular note in this effect was taken of these Japanese-sponsored Chinese troops in operations around Chao-an in Fukien Province.

Almost daily publicity was given in Japan, with marked flourish, to the alleged dissension and fighting between the Communist forces and the adherents of the Kuomintang. Reports to this effect asserted that several severe battles on a large scale had occurred between the two factions. It was intimated that there might be a disruption of Chinese resistance to the Japanese through these internecine conflicts. Despite the seriousness of the dissension, however, no tangible signs were to be noted of any diminution of the Chinese opposition to the Japanese military force.

2.

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2. General relations.

Much comment appeared in Japan during the month under review concerning the establishment of a proposed new central régime for China. It was reported that arrangements were steadily maturing for the inauguration at an early date of the régime with its capital at Nanking. According to the reports, the régime would be headed by a central political council under the leadership of Wang Ching-wei, and the government under this council would absorb the Nanking Renovation Government and the Peiping régime. A large amount of autonomy would be given to the North China area while the Inner Mongolian area would be recognized as an almost entirely autonomous unit wherein Japan would have special interest. No official announcement was made concerning the contents of the peace terms agreed upon between Wang Ching-wei and the Japanese Government at the end of December last year, although they were reported to have been revealed to the Diet in a secret session on February 15. It is to be noted, however, that two deserters from the Wang group published in Hong Kong on January 18 what purported to be a Chinese version of the agreement, and which in effect gave Japan what amounted to almost complete control and domination over most of the occupied areas of China.* The terms set forth in that version were denied as being correct by Wang Ching-wei;

-18-

To a pronouncement made by the Premier that Japan would give "whole-hearted support and cooperation" to the new régime, there was added a statement on February 16 by the Director of the China Affairs Board that "the Japanese army would guide the projected Wang Ching-wei régime in military, political, and economic affairs for some time after its final organization." (sic). The Finance Minister, on February 5, reported to the Diet that it was expected that there would be established in central China a new central bank which would issue currency for that region, but that the Federal Reserve Bank notes would continue to be the medium of exchange in North China.

In his address made at the opening session of the Diet, the Foreign Minister stated that Japan will respect the rights and interests of third powers in China, and welcomed foreign investments there as long as they are of a purely economic character.

As regards Japan's policy concerning the Chinese National Government, the War Minister reiterated before the Diet the often-announced statement that Japan was determined to crush and annihilate the Chiang Kai-shek régime. Noteworthy, however, were certain statements made by the Premier in the Diet on February 7, in which he said that if the Kuomintang should "reorganize itself and change its character" it could be tolerated. The same, he said, was true of Chiang Kai-shek. He further stated that, although Japan would have no dealings with the Chungking Government, he hoped that it would disband and join the new régime.*

On

*Embassy's telegram no. 98, February 8, 8 p.m.

-19-

On February 7 the Prime Minister stated before the Diet that Japan had no intention for the present to invoke belligerent rights in the China conflict.

The so-called basic policy for the settlement of the China affair was stated by the Foreign Minister in his address before the opening session of the Diet "to join forces with a new China which shall be purged of all anti-Japanese and pro-Comintern influences, to unite with China in establishing a new order in East Asia, and to realize neighborly amity, common defense against the Comintern, and full economic cooperation." In further elaborating on this statement on February 9 he added that the "new order" envisaged full cooperation in every way between Japan, "Manchukuo", and China with each retaining its independence and individuality. In other statements Cabinet ministers reiterated the intention of Japan to adhere to the principles laid down in the Konoye statement and especially emphasized the fact that no indemnity or territory would be claimed from China.

Inquiries were often heard in the Diet and in the press concerning the continued resistance of the Chinese National Government,--how much longer that resistance would be maintained and how the hostilities were to be terminated. The War Minister informed the Diet that Chinese resistance was gradually weakening despite the fact that the Chiang Kai-shek Government still retained administration over all areas not occupied by the Japanese. The country was further encouraged

-20-

encouraged to believe that the establishment of the new régime would greatly draw the strength out of and the allegiance of the Chinese masses away from the Chungking Government. From the statement of the Prime Minister referred to above and from other comments of Government officials, the country was given to understand that the Chinese National Government would eventually either sue for peace, disband, or merge with the new régime, and that with such developments would come the end of the "incident."

(c) France

1. Bombing of the Haiphong-Yunnan Railway.

Continuing the raids conducted in the latter part of last year and during January, the Japanese air forces again bombed on several occasions during February the Haiphong-Yunnan Railway. During the air raid that occurred on February 1 a train was hit and more than fifty persons, including five French, were killed. In this and three subsequent raids Japanese planes were reported to have flown over Indo-China, and on one occasion to have dropped bombs in French Territory. The French Embassy lodged strong protests with the Foreign Office concerning these incidents.

A

-21-

A response to his representations received by the French Ambassador on February 5 from the Foreign Minister stated in substance that so long as the railway continued to be a transit route of arms supply the attacks on it would be continued, and it was added that the cessation of supplies to the Chungking Government over the railway, to be fulfilled by the French before the Japanese attacks would be stopped, should apply not only to arms and ammunition but besides to other articles which the French Government itself had prohibited in time of war. The Japanese Government contended that even though no declaration of war had been made, large-scale hostilities have taken place in China and therefore France should recognize the "reality" in dealing with the situation.*

2.

*Embassy's telegrams no. 86, February 6, 11 a.m.; no. 91, February 7, 9 p.m.; no. 93, February 8, 3 p.m.; no. 102, February 9, 7 p.m.; no. 123, February 17, noon; despatches nos. 4470, February 7; 4478, February 10; and 4507, February 17, 1940.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict.
Report regarding military situation.

793.94/15869

For the original paper from which reference is taken

See #140 to Embassy

(Despatch, telegram, instruction, letter, etc.)

Dated April 5, 1940

From Chefoo (Roberts)
To

File No. 893.00 P.R. Chefoo/156

N

U. S. GOVERNMENT PRINTING OFFICE 1-1540

15869

B. Relations with Other Countries:

1. Japan:

(a) Military Situation:

793.94
There was little change in the military situation and the Japanese and their puppet troops continued to hold the capitals of the eleven hsien or counties in the Chefoo Consular District. However, guerrillas still were found in the country districts and there were frequent clashes at a number of points in Eastern Shantung.

At Shui Tao Chi about 25 miles southeast of Maping, there was sharp fighting with the village changing hands

several

- 4 -

several times. It was reported that some one hundred of the Japanese and Chinese troops operating with the Japanese were killed and wounded.

DECLASSIFIED: E.O. 11652, 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 Sino-Japanese situation: developments of March, 1940.

For the original paper from which reference is taken

See #18
(Despatch, telegram, instruction, letter, etc.)

Dated April 6, 1940 From Swatow (Yearns)
To

893.00 P.R. Swatow/148
File No. _____

793.94 / 15870

15870

2. Japan.

795.24
a. General Toshizo Kishio, commander-in-chief of the Japanese forces in China, was reported by Ronsi to have visited Swatow the first week in March while on a trip to the South China fronts.

b. Sino-Japanese Hostilities.(6) (7)

Japanese Reinforcements. Following the increased activity on the part of Chinese regulars and guerrillas during the last week in February, Japanese transports landed at least 7,000 reinforcements during the first week of March in addition to several hundred horses and various military equipment. One of the transports ran aground off Masu Island during a fog and 1,000 troops were carried off in landing boats.

Military Operations. Preparations were then made for a campaign against Chinese forces in the Swatow-Chaochowfu-Kityang triangle, with the latter city as the objective. Japanese control over the Swatow area and the loosely held strip of territory between Chaochowfu

and

-
- (6) Telegram No. 7 February 28, 4 p.m. to the Department repeated to Peiping and Chungking.
(7) Telegram No. 8 March 1, 2 p.m. to the Department repeated to Peiping and Chungking.

-5-

and Swatow, about 30 miles long, has been threatened ever since the June (1939) occupation by the presence of Chinese forces within this triangle. The number of Japanese troops had not hitherto been large enough to increase the area of occupation or to take Kityang. (See January 1940 Political Report, Page 6.)

The troops left Swatow for Ampou (庵埠) and Chaoshowfu and on March 7th began a march towards Kityang (揭陽) from three directions: (1) from Tng Sue (長美), west of Chaoshowfu, down the Kityang highway; (2) from Kim Chieh (金石); and (3) from Fu-Is (浮洋), the three forces meeting at Tng Kue (登岡). The Chinese troops at Fung-koi (楓溪) were outflanked by the first movement and retreated. This small place between Tng Sue and Chaoshowfu, only a few miles from the latter city, had been used for many months as a base for Chinese attacks on Japanese units stationed at Chaoshowfu and the Chinese forces had been strong enough to withstand Japanese attempts to drive them from the town.

On March 8th the Japanese forces occupied Mo-tai (砲台) and approached within five miles of Kityang. A few days later the troops unexpectedly began to withdraw to Chaoshowfu and Ampou, then to Swatow, and no further attacks were made on Kityang.

It had been anticipated that Kityang would be occupied without much difficulty and the Japanese withdrawal came as a surprise. Several explanations were offered: Japanese reports stated that the military had not in-

tended

-6-

tended in this campaign to enlarge the occupied area and that the sole purpose had been to annihilate Chinese remnants. The "mopping up" operations, it was added, had been very successful. Other sources believed that the Japanese lacked sufficient supplies and troops to occupy and hold Kityang, as well as the territory within the triangle, and that the troops which had arrived earlier in the month were urgently needed on other South China fronts. The movement also indicated a tendency of the Japanese, as shown in other parts of China, to undertake "lightning" campaigns for the purpose of routing Chinese troop concentrations without gaining any new territory.

Although the Chinese troops (regular and guerrillas) were reported to have been disorganized by the intensive Japanese attacks by land and air, and to have suffered many casualties, indications are at present that they are returning to the area from which they had been driven a few weeks ago.

On March 15, Japanese transports began to carry away troops, probably to the Kwangai front, and it was believed that the total number remaining in the Swatow area did not exceed 5,000 men.

Japanese aerial activity.

During the campaign Japanese planes, using Swatow as the base, took off daily and bombed Chinese troops and villages near Kityang. An American missionary from Kityang reported that the city was bombed on March 3 and 10. A number of civilians were killed

and

-7-

and many wounded were taken to the mission hospital. He also reported that in comparison with the Japanese soldiers seen in Swatow the Chinese soldiers were poorly equipped and lacked sufficient arms and supplies although there was no indication that their spirit of resistance had decreased.

"Victory" Parades.

Japanese celebrated the "victory" by holding a lantern parade in Swatow on the night of March 14; Chinese participants are reported to have earned three catties of rice. It was reported that the Chinese staged a similar "victory" parade in Kityang.

Situation at Chinghai (澄海).

During the first two weeks in March, Chinese mercenaries and guerrillas alternated in occupying Chinghai, 10 miles northeast of Swatow. The city had been reoccupied by Chinese mercenaries at the end of February but it was again taken by Chinese guerrillas on March 9. During the military operations in the Kityang area the Japanese made no endeavor to regain the city. Finally, on March 18th, about 500 Japanese troops occupied the city, organized a new puppet regime and left a garrison of 300 Chinese mercenaries. It was reported that two-thirds of the population left Chinghai because of the frequent changes in control and the acute rice and food shortage, and that a large part of the city had been destroyed.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese situation: developments of March, 1940.

For the original paper from which reference is taken

See #-
(Despatch, telegram, instruction, letter, etc.)

Dated April 10, 1940 From Canton (Myers)
To _____

File No. 893.00 P.R. Canton/146

793.94 / 15871

15871

793.94
B. Relations with Other Countries:

1. Japan.

(a) Japanese Military Operations on Hainan Island:

Japanese naval forces, assisted by army units recently transferred from Kwangsi, on March 4 launched a drive against Chinese Peace Preservation Corps and guerrilla units remaining on Hainan Island. Many strategic points were occupied some of which, as Nodao (那大) and Tingan (定安), had been previously occupied and evacuated. Apparently little resistance was met in the low-lying coastal areas, though greater opposition

- 3 -

opposition was encountered as the Japanese pressed into the interior.

(b) Occupation of Chungshan District:

On March 5 Japanese and puppet troops, estimated to number about 3,000, began the occupation of the rich delta district of Chungshan.

Shekki (石岐), which the Japanese had occupied and evacuated in October 1939, was entered on March 8 and Siulam (小欖) a few days later. (See Political Report for October, 1939).

The occupation of Chungshan was doubtless undertaken partly for the purpose of cutting off the flow of supplies from Macao into Chinese-occupied territory. Moreover, as the birthplace of Dr. Sun Yat-sen, it was probably considered desirable that the district be included within the territory controlled by the Wang Ching-wei regime.

(c) Hostilities in Kwangsi and Kwangtung:

On March 12 the Japanese began operations against Chinese units east of the Nanning-Yamchow highway, the Japanese line of communications between Nanning and the sea. The Japanese forces reached Lingshan (靈山) on March 17 and then pressed northward along the Hoppe-Henghsien (合橫公路) highway as far as Namheung (南鄉), on the West river. Beginning March 22 they withdrew, claiming that they had scattered several Chinese divisions and inflicted 3,600 casualties. The Chinese, however, claimed to have scored a big victory, causing 4,500 casualties and capturing much war material.

Late in March several Japanese columns were engaged in operations against Chinese forces west of the Nanning-Yamchow highway.

- 4 -

highway.

(d) Japanese Aerial Activities:

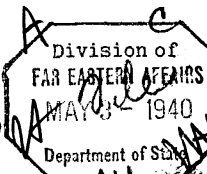
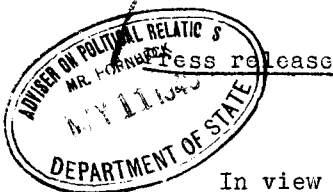
Japanese planes participated in the operations conducted on Hainan Island and in Kwangtung and Kwangsi. They also were reported to have bombed Chinese supply depots at Lungchow on March 23.

(e) Japanese Civilians in Canton:

It is reported that there were 11,350 Japanese nationals in Canton on March 1, an increase of approximately 600 since February 1. There were about 350 Japanese residing in Canton prior to the outbreak of Sino-Japanese hostilities in 1937.

2. Great Britain:

Sir Stafford Cripps, British Member of Parliament, visited Canton from March 21 to 23, arriving by Japanese plane from Formosa. While in the city it is understood that he saw a number of the higher Japanese officials.



JAPANESE EMBASSY
Washington, May 1, 1940

In view of the prominence given once again in the press of this country to what is known as the "Memorial of Premier Tanaka", the Japanese Embassy deems it opportune to denounce the document as a forgery and point out as evidence some of the factual errors contained in the "Memorial" alleged to have been presented to His Majesty the Emperor of Japan.

The most glaring passage of the memorial says:

13.94
"It will be recalled that when the Nine Power Treaty which restricted our movements in Manchuria and Mongolia was signed, public opinion was greatly aroused. The late Emperor Taisho⁽¹⁾ called a conference of Yamagata⁽²⁾ and other high officers of the army and the navy to find a way to counteract this new engagement. I was sent to Europe and America to ascertain secretly the attitude of the important statesmen toward it.⁽³⁾ They were all agreed that the Nine Power Treaty was initiated by the United States. The other Powers which signed it were willing to see our influence increase in Manchuria and Mongolia in order that we may protect the interests of international trade and investment. This attitude I found out personally from the political leaders of England, France and Italy. The sincerity of these expressions could be depended upon. Unfortunately, just as we were ready to carry out our policy and declare void the Nine Power Treaty with the approval of those whom I met on my trip, the Seiyukai cabinet suddenly fell and our policy failed of fruition. It was indeed a great pity. After I had secretly exchanged views with the Powers regarding the development of Manchuria and Mongolia, I returned by way of Shanghai. At the wharf there a Chinese attempted to take my life. An American woman was hurt, but I escaped by the divine protection of my emperors of the past.⁽⁴⁾ It seems that it was by divine will that I should assist Your Majesty to open a new era in the Far East and to develop the new continental empire."

The facts of the case are as follows:

(1) The late Emperor Taisho was taken ill and the Emperor had not attended to the affairs of state since the institution

793.94/15872

MAY 13 1940

F/TS

of the Regency in 1921.

(2) One should recall that Prince Yamagata, mentioned in the foregoing quotation, had been dead prior to the conclusion of the Washington Treaty in February, 1922.

(3) Baron Tanaka's last trip to Europe and America took place ten years before the Washington Conference.

(4) Baron Tanaka was shot at by an assassin at Shanghai on his way back from Manila, where he had gone to return Governor-General Wood's visit to Tokyo.

(5) In another place the "Memorial" says that the daughter of General Fukushima was sent to Inner Mongolia as adviser to a Mongol prince. She has never been to Mongolia either for business or for pleasure.

(6) Again, the "Memorial" states that the Japanese army division in the city of Fukuoka can be sent into Manchuria by the Kirin-Huimin Railway. Baron Tanaka, himself a general of the army, should have known that there had never been an army division in Fukuoka.

These are a few of the numerous self-contradictory errors which found their way into many a line of the "Memorial", -- the English version of which consists of some 13,000 words -- only to attest to the unimpeachable evidence of its spurious nature. Such a dubious document therefore is quite unfit to be referred to as a basis for forming honest opinion or intelligent deduction.

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 Should Italy enter the war Japanese would
again request or "invite" belligerent
powers to withdraw their armed forces
from China.
It seems possible that -.

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793.94/15873

For the original paper from which reference is taken

See Tel. #161, 4 p.m.
(Despatch, telegram, instruction, letter, etc.)

Dated May 14, 1940 From China (Smyth)
To

File No. 740.0011 European War, 1939/2922

15873

DECLASSIFIED: E.O. 11652, 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

VRH

GRAY

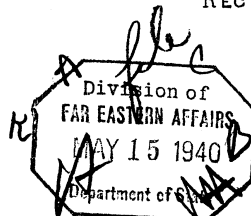
Hankow, via N. R.

FROM

Dated May 14, 1940

Rec'd. 3:25 p.m.

Secretary of State,
Washington.



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

edz

May 14, 5 p.m.

My May 7, 9 a.m. Chinese claims of considerable successes:

in the fighting northwest of Hankow cannot be confirmed locally. The Chinese have had and are having the benefit of unseasonably rainy and overcast weather and were apparently successful in moving in on the Japanese flanks and rear.

Japanese claims of casualties inflicted on the Chinese, 13,000 in the first ten days of the campaign, are unexpectedly modest. The Japanese do not profess to have approached any closer to Sinyang than 20 kilometers and that was on May 5.

The tone of yesterday's Japanese controlled press gave the impression that the Japanese westward offensive is spent. Today's communiques seem to indicate a Japanese withdrawal eastward and forecast a major action in the Sinyang sector where there are apparently heavy Chinese concentrations.

MAY 21 1940

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793.94/15874

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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- May 14, 5 p.m., from Hankow, via N. R.

6,000 reinforcements are reported to have arrived over the week-end. A considered appraisal of the situation must await further developments and information.

Sent to Chungking, repeated to Peiping and Shanghai.

SPIKER

CSB

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

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

TELEGRAM RECEIVED

JR

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

Hankow via N. R.

Dated May 17, 1940

Rec'd 10 a.m.

Secretary of State,
Washington.

May 17, 3 p.m. (GRAY)

My May 14, 5 p.m. /15874

General Itagaki arrived here on May 15. It is rumored that he will direct operations from now on.

While precise details are lacking, it is generally believed among informed observers here that the Japanese offensive has thus far been repulsed and disorganized; that it has neither destroyed Chinese military strength in the area between the Pinghan Railway and the Han River nor has it resulted in the capture of the Chinese base at Siangyang.

Reports of heavy Japanese casualties are borne out by the arrival at Hankow of many wounded. One informed source places the number arriving between May 4 and 14 at approximately 10,000. (END GRAY)

Up to the present Japanese reinforcements have not arrived in sufficient force to warrant an expectation that the Japanese will be able to resume the offensive. The Japanese problem is to extricate themselves from their

present

793.94/15875

F/N

-2- May 17, 3 p.m., from Hankow.

present predicament without being decimated. They should be able to do so, as they have after similar blunders in the past, unless the Chinese display for the first time a determination and ability to press home an advantage.

(GRAY) Sent to Chungking. Repeated to Peiping, Shanghai.

SPINNER

CSB

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of May 17, 1940, from the American Consul General at Hankow reads substantially as follows:

General Itagaki arrived in Hankow on May 15. It is rumored that he will direct operations from now on.

While precise details are lacking, it is generally believed among informed observers in Hankow that the Japanese offensive has thus far been repulsed and disorganized; that it has neither destroyed Chinese military strength in the area between the Pinghan Railway and the Han River nor has it resulted in the capture of the Chinese base at Siangyang.

Reports of heavy Japanese casualties are borne out by the arrival at Hankow of many wounded. One informed source places the number arriving between May 4 and 14 at approximately 10,000.

A sufficiently large number of Japanese reinforcements have not as yet arrived to justify the expectation that it will be possible for the Japanese to take the offensive again. The problem of the Japanese is to get themselves out of the unfortunate position in which they are at the present time without losing a considerable

number

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

CONFIDENTIAL

-2-

number of troops. Unless the Chinese for the first time show themselves able and determined to make the most of an advantage, the Japanese, who have before now made similar great mistakes, should be able to get out of this predicament.

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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

AIR MAIL

NO. 83

AMERICAN CONSULATE GENERAL

American Foreign Service, Hanoi, Indochina,
May 2, 1940.

SUBJECT: Situation in Kwangsi.

Division of
EASTERN AFFAIRS
MAY 21 1940
Department of State

RECEIVED
DEPARTMENT OF STATE

THE HONORABLE

THE SECRETARY OF STATE,

SIR:

WASHINGTON		Non-Check		Yes	No
Grade	For	To Field	In U.S.A.		
	Recd		ONI MID		

I have the honor to refer to my despatch no. 70
of March 30, 1940, in regard to the situation in Kwangsi,
and to report that there appears to have been a recent
abatement of activities around the Nanning area. Such
information as I have obtained from various sources
indicates that the Chinese have apparently abandoned
the previously widely-heralded drive to recapture Nan-
ning and are confining themselves to the more success-
ful guerilla tactics.

On the other hand, the Japanese seem to be com-
paratively quiescent at the present time and, after
having met a strong and stubborn resistance to their
advance in the direction of Lungchow on one recent
occasion and towards Pingma on another, are consolidat-
ing their position at Nanning and along the road from
Nanning to Yanchow. In this latter connection, it
appears reasonably certain that a light railway is
being constructed between these two points. According
to a recent article in the Hanoi press, over 2,000
Chinese and Formosan coolies are engaged in this work

and

COMMERCIAL AFFAIRS
Department of State

MAY 23 1940

DIVISION OF EASTERN AFFAIRS

793.94/15876

F/N

AIR MAIL

- 2 -

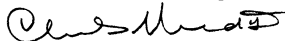
and some 20 kilometers of track have been laid. Much of the material is said to come from the Japanese occupied section of the Dong Dang-Nanning railway. Chinese sources predict that a large offensive will be directed towards this line of supply but it remains to be seen whether this will materialize.

The Japanese aviation is reliably reported to have increased its activity in southwest China, chiefly along the Caobang road. (Despatch no. 79 of April 20, 1940) Within the last few days the road has again been heavily bombed and 20 more Chinese trucks have been destroyed within a short distance from the frontier. It is reported that the Japanese planes have flown over Caobang on at least one recent occasion.

Coupled with the recent bombings of the Indochina-Yunnan Railway, which caused but slight material damage, this trespassing over Indochina territory may indicate a recrudescence of Japanese disregard for French property and sovereignty, influenced perhaps by the increasing tempo of the war in Europe. In this connection, General Hata's recently reported declaration that the Japanese Empire is following a path of expansion is far from being reassuring for occidental interests in the Far East.

Respectfully yours,

For the Consul at Saigon,


Charles S. Reed II,
American Consul.

In duplicate to the Department (Original by air mail)
Copies to Embassy, Chungking and Peiping
Copies to Consulates General, Hongkong and Shanghai
Copies to Consulates, Kunming and Saigon

800

CSR:csr

DECLASSIFIED: E.O. 11652, 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
EUROPEAN AFFAIRS
THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA
MAY 3 1940
DEPARTMENT OF STATE

FE
EU

AMERICAN EMBASSY

No. 4677

Tokyo, April 26, 1940

SUBJECT: FRENCH PROTEST REGARDING VIOLATION OF
INDO-CHINESE TERRITORY BY JAPANESE
MILITARY PLANES

10
RECEIVED
DEPARTMENT OF STATE

1940 MAY 20 PM 2 47

DIVISION OF
COMMUNICATIONS
AND RECORDS

Division of
FAR EASTERN AFFAIRS
MAY 21 1940
Department of State

To		Yes	No
Mr. Tolson			
Mr. E.A. Tamm			
Mr. Clegg			
Mr. Glavin			
Mr. Ladd			
Mr. Nichols			
Mr. Rosen			
Mr. Tracy			
Mr. Carson			
Mr. Egan			
Mr. Gurnea			
Mr. Harbo			
Mr. Hendon			
Mr. Jones			
Mr. Quinn			
Mr. Nease			
Mr. Gandy			

793.94

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

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793.94/15877

The Honorable
The Secretary of State
Washington

Sir:

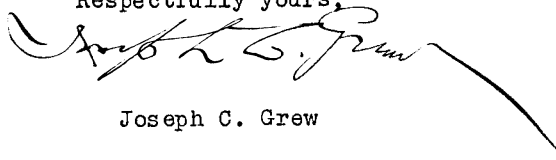
With reference to the Embassy's despatch no.
4633 dated April 5, 1940, and to previous despatches
reporting French protests against the bombing of the
Yunnan Railway and the violation of French territorial
sovereignty by Japanese planes flying over Tonking, I
have the honor to transmit herewith for the Department's
further information a copy and translation of a note
dated April 20, 1940, from the French Ambassador at
Tokyo

F/N

-2-

Tokyo to the Japanese Vice Minister for Foreign
Affairs, protesting against further violations of
French territory by Japanese airplanes.

Respectfully yours,



Joseph C. Grew

Enclosures:

1. Copy of note dated April 20, 1940, from the
French Ambassador, Mr. Arsène-Henry, to the
Vice Minister for Foreign Affairs, Mr. Tani.
2. Translation of 1.

350
SEG:mg

Original and 2 copies to the Department
Copy to Embassy, Peiping
Copy to Embassy, Chungking
Copy to Consulate General, Shanghai
Copy to Consulate, Yunnanfu

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

Enclosure no. 1 to despatch
no. 4677 dated April 26, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy, received April 23, 1940.)

The French Ambassador, Mr. Arsène-Henry, to the
Vice Minister for Foreign Affairs, Mr. Tani.

20 avril 40

Mon cher Vice-Ministre,

Le Gouverneur Général p.i. de l'Indochine me signale
que les 6 et 9 avril, un avion japonais a survolé à basse
altitude le pont de CHICHOI lequel est situé en territoire
tonkinois à proximité de TRUNG KHAN PHU. En outre le 16
avril 2 avions japonais ont survolé à nouveau à l'altitude
de 1000 mètres environ le territoire tonkinois dans la
région de TRUNG KHAN PHU.

Je suis chargé de protester auprès du Gouvernement
Impérial contre ces violations de la frontière indo-
chinoise et j'en profite pour appeler votre particulière
attention sur le caractère inquiétant de ces survols
répétés à une altitude aussi basse et qui ne peut
laisser de possibilité d'erreur à des aviateurs
expérimentés./.

Veuillez agréer, Mon cher Vice Ministre, les
assurances de ma haute considération,

signé : Charles Arsène-Henry

Son Excellence

Monsieur Masayuki Tani

Vice-Ministre des Affaires Etrangères

E.V.

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

Enclosure no. 2 to despatch
no. 4677 dated April 26, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy, received April 23, 1940.)

The French Ambassador, Mr. Arsène-Henry, to the
Vice Minister for Foreign Affairs, Mr. Tani.

(Translation)

April 20, 1940

My dear Vice-Minister:

The Acting Governor General of Indo-China informs
me that on the 6th and 9th of April a Japanese plane
has flown at low altitude over the Chichoi bridge
which is situated in Tonkinese territory in the vicinity
of Trung Khan Phu. Moreover, on the 16th of April
two Japanese airplanes again flew over Tonkinese
territory in the vicinity of Trung Khan Phu at an
altitude of approximately a thousand meters.

I am directed to protest to the Imperial Government
against these violations of the Indo-Chinese frontier
and I avail myself of this opportunity to call your
particular attention to the disturbing character of
these repeated violations by airplanes at so low an
altitude which cannot leave to experienced aviators
any possibility of error.

Accept, my dear Vice Minister, the assurances of
my high consideration.

(signed) Charles Arsène-Henry

His Excellency
Mr. Masayuki Tani
Vice Minister for Foreign Affairs

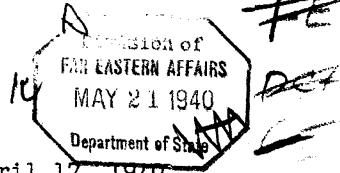
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Hueston NARS, Date 12-18-75

Copy for Department of State.

No. 491

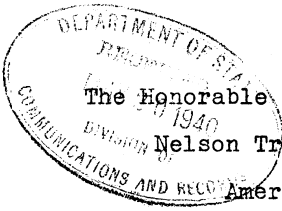
AMERICAN CONSULATE

Tsingtao, China, April 17, 1940.



193.94

Subject: Conditions in the Vicinity of Kaifeng, Honan.
Difficulties of Crossing Japanese Line.
Travelers to Sianfu Advised to Avoid Kaifeng.



For Distribution Check	
Code	Index
M	In U.S.
	Out M.I.D.

The Honorable
Nelson Trusler Johnson,
American Ambassador,
Peiping, China.

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

Sir:

COMMERCIAL AFFAIRS
Department of State

MAY 23 1940

I have the honor to report that a well informed and reliable resident of Kaifeng called at this Consulate yesterday and reported that he had just advised Mr. Edwin Fisch, an American missionary attached to the Scandinavian Alliance Mission at Changan (長安) or Sianfu, in Shensi Province, not to proceed via Kaifeng and Chengchow, as Mr. Fisch had originally intended.

Mr. Fisch called at this Consulate last week and informed it that he had just arrived from Shanghai with some 160 cases of medicine and other supplies for his mission which he proposed to transport by rail to Kaifeng via Tsinan and Hsuechow and thence by pack animals from Kaifeng to Chengchow and Sianfu. The Consulate stated that it knew of no special reason why the journey should not be made as planned by Mr. Fisch, who is familiar with the conditions west

of.

MAY 24 1940

793.94/15878

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- 2 -

of Kaifeng. However, according to the Kaifeng resident who called yesterday at the Consulate, several travelers setting out from Kaifeng for Chengchow and Shensi Province had encountered much difficulty in passing through the Japanese line between Kaifeng and Chengchow. In one case the Japanese had detained a large quantity of mission supplies belonging to Catholic missionaries and had detained even the Chinese carts and animals. The release of the latter however, had been effected after two weeks but the cargo was still in the hands of the Japanese, according to the informant.

The informant stated that he had strongly advised Mr. Fisch not to attempt to enter Shensi Province via Kaifeng and Chengchow but proceed from Tsingtao by rail to Pengpu (蚌埠) and then to Fowyang (阜陽) in northwest Anhwei Province, from Fowyang the journey would be made overland to Fukow (扶溝) in Honan Province due south of Kaifeng. From Fukow the journey would be continued due west to Hsuchang (許昌) on the Peiping-Hankow line. In this way there would be avoided the necessity of crossing the Japanese line west of Kaifeng where missionaries have recently encountered difficulties.

Conditions in Kaifeng.

The informant reported that relations between foreign residents of Kaifeng and the authorities were somewhat unpleasant. Annoyances of a petty nature continued; however, the large China Inland Mission hospital continued...

- 3 -

continued to operate.

There was some evidence that large Japanese forces were being concentrated in the vicinity of Kaifeng, apparently with the object of reaching Chengchow. This bit of information is of interest particularly because of reports that there have been some large troop movements on the Tsingtao-Tsinan Railway toward Tsinan and because there are so few troops in evidence in Tsingtao itself at this time.

Respectfully yours,

Samuel Sokobin,
American Consul.

800
SS/CML ✓

Original to Embassy, Peiping,
Five copies to Department of State,
Copy to Tientsin Consulate General,
Copy to Shanghai Consulate General,
Copy to Tsinan Consulate.

A true copy of
the signed orig-
inal. *CML*

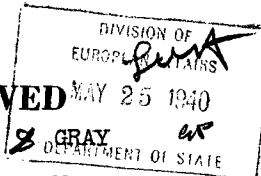
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75

123

TELEGRAM RECEIVED

EH

FROM



Moscow

Dated May 21, 1940

Rec'd 7:06 p.m.

Secretary of State,
Washington.



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

May 22. *ejl*

568, May 21, 1 p.m.

793.94

An article by Chowenlai, in the COMMUNIST INTERNATIONAL states that the danger of China's capitulation has never been so acute as at present, and that England, France and the United States are striving to bring about such capitulation. More important, however, than external influences in the opinion of the author is the tendency toward capitulation in China itself on the part of "landlord and bourgeoisie circles", and "capitulants hidden in the anti-Japanese camp" and "within the ranks of the Kuomintang". The article refers especially to the hostility of the capitulants toward the Chinese Communist Party, citing their insistence upon the liquidation of the Communist ruled border region and the weakening of the Eighth and Fourth Armies. Listing the factors favorable to China's ultimate success if capitulation is avoided the writer includes "the sympathy and support of the great Soviet Union"

An earlier article published in PRAVDA a short time ago

793.94/15879

F/N

MAY 2 1940

124

-2- 568, May 21, 1 p.m. from Moscow.

ago also discussed discord between Chinese Communists and other elements in independent China, and a third by the well known Soviet writer, Al. Khamadan, appeared in a recent issue of TRUD. The latter in discussing the conditions for a Chinese victory referred to the need to strengthen the United national anti-Japanese front and for relentless "rooting out of all the obvious and hidden traitors, capitulators, and disorganizers".

KLP

THURSTON

HSM

TELEGRAM RECEIVED

Hankow via N. R.

FROM Dated May 23, 1940

Rec'd 10:28 a. m.

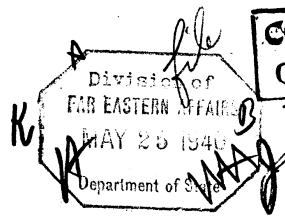
Secretary of State,

Washington.

May 23, 3 p. m. 15875

My May 17, 3 p. m.

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



793.94
Recently arrived Japanese reinforcements, said to be the last reserve division in this area, have been sent to support the units fighting northwest of Suhsien. The opinion of experienced observers here is that whether the reinforcements presage an (?) renewal of the Japanese efforts to capture Siangyang-Fancheng or only represent assistance to cover a withdrawal of beleaguered forces, the Japanese position is precarious. In the meantime Chinese forces are reported to be concentrating east of Kwangshu as a threat to the Peiping-Hankow railway.

The Japanese intimate that they are planning for a swift attack on Sonomai. Observers believe that if such an offensive is launched it is likely to prove eventually to be another costly Japanese blunder.

The Chinese entry into Sinyang was denied by the army spokesman here. City is believed to be now held by the Japanese.

Sent to Chungking, Peiping and Shanghai.

RR

SPIKER

793.94/15880

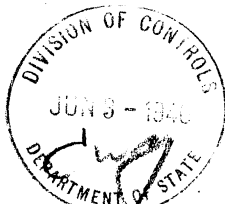
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125

TELEGRAM RECEIVED

MP

PLAIN



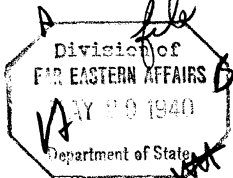
FROM

Chungking via N. R.

Dated May 28, 1940

Rec'd. 1:22 p. m.

Secretary of State,
Washington



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

232.
May 28, 7 p. m.

The Japanese this morning for the first time in several months bombed portions of Chungking city proper, two squadrons of planes dropping bombs in various business and residential areas. It is estimated that civilian casualties will number several hundred. As far as the Embassy can ascertain all (repeat all) Americans are safe. One bomb fell at an estimated distance of four hundred yards from the USS TUTUILA while bombs fell in the vicinity of the installation of the Standard Vacuum Oil Company.

Repeated to Peiping, Shanghai, Hankow. Shanghai please repeat to Tokyo.

JOHNSON

RR

JUN 4 - 1940
FILED

F/N

793.94
note
793.94116

793.94/15881

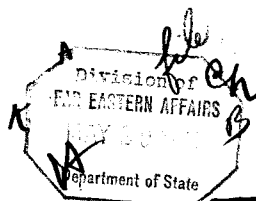
TELEGRAM RECEIVED

HSM
This telegram must be
closely paraphrased
before being communi-
cated to anyone. (Br.)

FROM Hankow via N. R.
Dated May 29, 1940
Rec'd 9:05 a. m.

Secretary of State,
Washington.

May 29, 9 a. m.
My May 23, 3 p. m.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

Japanese army headquarters announces that the
campaign northwest of Hankow was concluded on May 21,
fighting, however, continues.

A preliminary survey leads to the conclusion that
the Chinese thus far have won another inconclusive
victory. The Japanese may, as they claim, have inflicted
heavy losses on the Chinese, but it is believed that
they have not seriously impaired Chinese strength. The
Chinese on the other hand appear not only to have in-
flicted proportionately greater casualties on the Japanese
but also, according to reliable reports, exacted a heavy
toll of Japanese mechanized equipment.

There are persistent rumors of Japanese naval land-
ing party units having been sent north to reinforce
garrisons on and near the Peiping-Hankow railway.

It

793.94/15882

F/N

hsm -2- May 29, 9 a. m., from Hankow

It is stated that last week approximately 4,000 Japanese wounded from northwest of here passed through Hankow.

There are now no indications that the reverses suffered will affect critically the military hold of the Japanese on the middle Yangtze. Of more importance are the political implications, following last May's abortive campaign along the Hupeh-Honan border and the Changsha fiasco, of a third Japanese military failure in this area.

Sent to Chungking, Peiping, Shanghai.

SPIKER

GW

(IDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of May 29, 1940, from the American Consul General at Hankow reads substantially as follows:

The campaign to the northwest of Hankow ended on May 21, according to an announcement made by the Japanese army headquarters. Nevertheless fighting is still going on. The conclusion has been reached, after a survey of the situation, that so far another indecisive victory has been won by the Chinese. Although heavy losses may have been inflicted on the Chinese, as the Japanese claim, it is thought that Chinese strength has not been damaged seriously by the Japanese. It seems, on the other hand, that not only have the Chinese caused the Japanese to suffer proportionately larger casualties but that they (the Chinese) have also caused great damage to the mechanized equipment of the Japanese. About 4,000 wounded Japanese are said to have passed through Hankow from the northwest during the week of May 10. Rumors persist to the effect that naval landing party units of Japanese have been despatched to the north to strengthen garrisons on the Peiping-Hankow railway and its vicinity. At the present time there is nothing to indicate that the military hold which the Japanese have on the middle Yangtze will be seriously affected by the reverses which have been inflicted on them.

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

CONFIDENTIAL

-2-

them. The political implications of a military failure
 by the Japanese a third time in the Hankow area, follow-
 ing the fiasco at Chongqing and the fruitless campaign
 in May 1939 along the border between Hupeh and Honan
 Provinces are of more importance.

P. J. C.
 FE:EGC:MHP
 5/31/40

NR
 FE

0 1 3 5

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



June 5, 1940

~~GA~~
~~WAS~~
~~MOH~~

~~PA/H~~

Rangoon's despatch 309, May 4, 1940, subject "Destruction of munitions dump at Chefang, China; cause not yet officially determined; report of Japanese air raid persists, but disaster may have been due to sabotage or carelessness; rumor that air-planes flew over Burma from Siam; situation at aircraft factory at Loiwing, where there are American men, women, and children".

This is an interesting summary of the disastrous explosion at the Chinese munitions dump at Chefang. All available sources of information have been examined and it appears that the cause of the explosion will remain a matter of mystery as apparently competent witnesses disagree in their opinions as to whether there was an air raid, sabotage or carelessness. About 5,000 tons of war materials were destroyed in the explosion, including 2,800 tons of cartridges, machine guns, a large number of shells and 110 tons of dynamite. Sixty gross tons of silver which were stored near the dump were largely recovered.

There have been rumors that the raid might have been made in airplanes from an airfield in northern Siam but the Consul

has

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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

-2-

has found no information which would give weight to these rumors.

The last paragraph on page 7 concerning air raid dangers at Loiwing may be of interest.

793.94/15883

KCK

FE:Krentz:MHP

AIR MAIL

NO. 309

COPY IN PARAPHRASE
SENT TO TREASURY
IN CONFIDENCE

Division of
EASTERN AFFAIRS
MAY 31 1940
Department of State

AMERICAN CONSULATE GENERAL

Rangoon, Burma, May 4, 1940.

STRICTLY CONFIDENTIAL

SUBJECT:
1-1403

Destruction of munitions dump at Chefang, China; cause not yet officially determined. report of Japanese air raid persists, disaster may have been due to sabotage or carelessness; rumor that airplanes flew over Burma from Siam; situation at aircraft factory at Loiwing, where there are American men, women, and children.

Copy to
Division of Commercial Affairs
To

THE HONORABLE

THE SECRETARY OF STATE,

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

WASHINGTON		Non-Check		Yes	No
Grade	For	To Field	In U.S.A.		

I have the honor to report, supplementing information recently transmitted to the Department, that the cause of the explosion and fire at the munitions dump at Chefang, China, twenty-four miles north of the Burma border on the Yunnan-Burma highway, at about nine o'clock on the night of April 12, 1940, has not yet been officially determined. A report that the dump was bombed by Japanese airmen persists and is credited by many, and there is a report that the destruction was due to sabotage, and another that it was the result of carelessness.

The war supplies at Chefang, with the exception of explosives, were stored in six corrugated-iron buildings, and these and their contents were completely destroyed. Local officials of the Southwest Transportation Company say that there were about 5,000 tons of materials in the dump, including 2,800 tons of cartridges, machine guns, a large number of shells, and 110 tons of dynamite and other explosives. The explosives were in temporary storage outside of the

buildings

F/N

COMMERCIAL AFFAIRS
Department of State

JUN 10 1940

793.94
893.24

793.94/15883

-2-

buildings. It is stated that the materials were largely of Russian origin, having constituted part of the cargo of the British steamer BEACONSFIELD, which arrived at this port in October 1939, and discharged 8,000 tons of war supplies.

An estimate of the value of the materials destroyed has not been made by the Chinese here, but the value assessed by the Customs authorities at this port was probably the equivalent of several million American dollars.
Report of Japanese Air Raid.

The report that the destruction was the result of a Japanese air raid is based on the statements of various persons, including drivers of ammunition trucks who were injured, who say that they saw flares and the red and green navigation lights of airplanes, and on the existence of two large holes in the ground, each about sixty feet in diameter and thirty feet deep, which might have been caused by bombs. The holes, which are at one side of the site of the dump, are in such close proximity to each other that they are described as forming a figure eight.

Those who doubt that there was an air raid point out that no one seems to have heard the sound of airplane motors; that the munitions dump was a military objective, undefended, and that there was no reason for a surprise attack on it at night; and that the Japanese have issued no statement claiming for their air force the destruction of a large quantity of war materials destined for the Chinese army. The opinion is expressed by some that the holes mentioned could have been caused

by

-3-

by the explosion of tons of dynamite and other explosives, which are said to have been stored at or near the place where the holes were made.

Rumor of Use of Airfield in Siam.

An interesting rumor in connection with the fact that the Japanese have made no reference to an air raid on Chefang is to the effect that the airplanes which bombed the munitions dump were not from Nanning, the nearest Japanese base in China, but from a nearer airfield in northern Siam, and that they flew over Burma on the way to Chefang and on their return to Siam. Aside from the fact that there is an airfield in northern Siam which bombing planes might possibly use, there appears to be at present no information that would give weight to this rumor.

Opinions of Chinese Officials.

Colonel W. G. Loo, local representative of the Chinese Aviation Commission, who was at Chefang at the time of the explosion and who returned to Rangoon on April 15th, reported on his arrival here that he neither saw nor heard airplanes either before or after the first terrific explosion. He discounted the report of an air raid.

The Chinese Vice Minister for Foreign Affairs in Rangoon has expressed the opinion that the destruction of the dump at Chefang was the result of either sabotage or carelessness. He has called attention to the fact that everyone connected with the storage and custody of munitions at Chefang would be relieved of all responsibility if it could be shown that the destruction resulted

from

-4-

from an air raid.

Official Inquiry at Lashio.

The British superintendent of the Northern Shan States, Burma, with headquarters in Lashio, was at a point near the Burmo-Chinese border on the night of the disaster, and he went to Chefang the next morning and arranged for the return to Lashio of twenty truck drivers injured as the result of the explosion and fire, all of whom are British subjects (Indians, Burmans, and Anglo-Indians). He later held an inquiry in Lashio, and it is stated that most, if not all, of the drivers, expressed the belief that the dump was bombed, and described what they took to be flares dropped from airplanes, and the navigation lights of airplanes. The drivers are employees of a Rangoon contractor who operates trucks between Lashio and Chefang for the Southwest Transportation Company. Two of this contractor's trucks were destroyed and a number were damaged.

Silver Shipment Stored at Dump.

J. F. Freeman, an American adviser on the staff of the Central Bank of China, who is making arrangements for the shipment of an important quantity of Chinese silver from Rangoon, and who on April 12th was at Lashio, hurried to Chefang on receipt of news of the disaster to investigate the condition of about sixty gross tons of silver which had been temporarily stored in one of the buildings of the munitions dump. Mr. Freeman was in Rangoon this week, and he reported that while the wooden boxes in which the silver was packed were consumed by the fire, the heat was not strong enough to melt the

silver

-5-

silver, which consisted almost entirely of coins; that the coins had not been widely scattered by the explosions, and that very little of the silver had been lost. The coins have since been placed in used gasoline drums and will be shipped in those containers. Mr. Freeman gained the impression that the destruction was due to an air raid and that the land craters were caused by heavy aerial bombs. At Chefang, he said, he talked with an American missionary living in the hills above Chefang, who told him that indigenous members of his mission saw "bright lights dropping from the sky" before the explosion, and that they became panic-stricken and thronged his compound for protection.

The only Americans stationed at Chefang at present are Doctor Hiram J. Bush, of the United States Public Health Service, and Doctor W. C. Sweet, of the Rockefeller Foundation, and both were absent from Chefang at the time of the disaster.

Defence Department Communiques.

On April 16th the Defence Department of the Government of Burma published a communique stating that an unconfirmed report that Chefang had been bombed by Japanese aircraft on April 12th had been received, but that subsequent information indicated that although an extensive fire took place at certain Chinese Government godowns, this was not the result of an air raid.

A second communique issued on April 22d said:

"Further information has now been made available regarding the serious conflagration which broke out at the Chinese munitions dump at Chefang at about 8 p.m. on April 12. Six warehouses were

completely

-6-

completely demolished. Twenty-five Chinese coolies and two Chinese soldiers were killed; twelve Chinese coolies are missing, and six were severely injured. No British subject, however, was killed, although twenty British subjects received injuries eighteen of whom have been taken into Lashio Hospital and two are receiving treatment as out-patients.

"The disaster has left two large connected craters in the munitions dump area each 60ft. wide and 30ft. deep.

"The town of Chefang appears to have been scarcely damaged at all, and the hospital also has fortunately escaped lightly. The ceiling of the American Malaria Research Laboratory collapsed and some microscopes were damaged.

"In Chinese official circles the story that the disaster was caused by a Japanese air raid is discredited and sabotage is suspected.

"The initial panic at Chefang has subsided and no evacuation is taking place."

It will be noted that the Defence Department of Burma expresses no opinion as to the cause of the disaster, simply stating that "in Chinese official circles" the story of an air raid is discredited and sabotage is suspected.

Chefang Most Important Storage Point.

Chefang is the point on the Yunnan-Burma highway where most of the trucks of Burma registry operating out of Lashio have delivered their loads of munitions and other materials. The loads have been picked up there by trucks of the Southwest Transportation Company, operating over other sections of the highway in China. Some deliveries of materials from Lashio have also been made at Mangshih, 32 miles beyond Chefang, and at Pao-shan, 129 miles farther on, but the quantities have been relatively small. After the Japanese invasion of southeastern China many Chinese trucks were taken from
the

-7-

the Yunnan-Burma highway for military transport purposes in and around the Nanning area, and munitions and other materials accumulated at Chefang to such an extent that provision was made for a second dump, on the other side of the town. This has not yet been completed, but some materials are stored there. There is also a petrol dump at Chefang.

T. L. Soong, head of the Southwest Transportation Company, recently spent several days at Chefang in connection with an inquiry as to the cause of the explosion and fire. An explosives expert sent from Chungking is said to have expressed the opinion that the craters were caused either by aerial bombs or land mines.

Air-Raid Danger at Loiwing.

The suggestion is made by some who credit the air-raid report that the Chinese fear that an admission of aerial bombing at Chefang would have a disturbing effect on the working forces at the aircraft factory of the Central Aircraft Manufacturing Company at Loiwing, China, which is only a few minutes by air from Chefang, and that many of the workmen might refuse to remain there, but the construction of air-raid shelters at Loiwing has already indicated to the workmen that the management considers it possible that the factory might be bombed. It is thought that the distance to Loiwing from Nanning (about 600 miles) would make it difficult for Japanese airplanes from that base to carry full loads of heavy bombs, and that small bombs, including incendiary bombs, might be carried instead. It is stated that equipment for a second electric power
plant

-8-

plant has been ordered, and that the new plant will be built outside of the factory area, and will be kept in readiness to replace the present plant, in case that plant is damaged or destroyed by aerial bombing.

Evacuation of Women and Children.

The arrival in Rangoon from Loiwing this week, on their way to the United States, of three American women and three American children gave rise to a report that foreign women and children were being evacuated from Loiwing because of the fear of Japanese air raids, and resulted in inquiries by a local newspaper. Two of the American women and the three children are members of families that are returning to the United States to remain, the husbands and fathers having recently given up their positions at the factory. The husband of the other American woman is remaining at the factory. There are several American women and children now at Loiwing, and their safety in the event of an air raid would be a matter of the gravest concern. Any advance information indicating that an attempt by the Japanese to bomb the aircraft factory was probable might mean their evacuation from Loiwing to places of safety in Burma. In addition to the American women and children at Loiwing, there are many Chinese women and children, members of the families of Chinese workmen employed in the factory.

Respectfully yours,

Austin C. Brady
Austin C. Brady
American Consul

Distribution:

1. In quintuplicate to Department.
2. Copy for Embassy, London.

800
ACB/cp

4 Carbon Copies
Received *WUM*

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

TELEGRAM RECEIVED

FROM

RDS

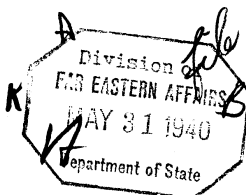
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (Br.)

Hankow via N.R.

Dated May 31, 1940

Rec'd 10:30 a.m.

Secretary of State,
Washington.



May 31, 11 a.m.

My May 29, 9 a.m. An informed Japanese military
source states that the Japanese plan to resume the of-
fensive northwest of Wuhan. He says that headquarters
is asking for 150,000 reinforcements. Local observers
doubt that this number will be forthcoming. General
Honjo is due here today.

Sent to Chungking, repeated to Peiping, Shanghai.

SPIKER

CSB

JUN 4 - 1940

F/N

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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

Tokyo via Shanghai & N. R.

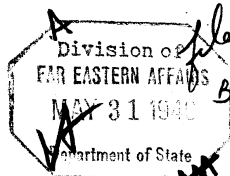
Dated May 31, 1940

Rec'd 7:22 a.m.

Secretary of State,
Washington.

RUSH.

394, May 31, noon.



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

May 31. 682

The Foreign Office has just informed us orally and informally that Japanese planes during recent attacks on Chungking have been subjected to severe fire from anti aircraft guns near a pier on which is located an American oil tank. The Japanese naval authorities in China feel compelled to decrease this military emplacement and are concerned over the danger of damage being caused to the American oil tank in spite of all efforts to avoid such damage.

Shanghai please repeat to Chungking.

GREW

RR

793.94/15885

JUN 6 - 1940
FILED

F/N

*793.94
note
393.115*

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

June 4, 1940

~~CA~~
~~WAA~~
~~MTH~~



Hanoi's despatch no. 86 of May 10, 1940,
subject "Possible Japanese Drive against
Wuchow, Kwangsi".

This despatch briefly summarizes the views
of a missionary stationed at Wuchow as to the
likelihood of a Japanese drive on Wuchow via
the West River and a simultaneous drive from
Nanning. The missionary is of the opinion
that the Japanese are only waiting for high
water on the West River to begin such a
drive.

In this connection the Japanese Vice
Chief of Staff in Canton told me in a con-
versation right after the capture of Nanning
that if the Japanese reopened the Pearl River
to commercial traffic they would probably
consider it desirable to take Wuchow and to
be in control of the West River delta. He
stated that the Japanese anticipated no
particular resistance by the Chinese at
Wuchow. He also mentioned the fact that not
only was a good deal of material reaching
China by devious routes through the West
River delta, but that if the Japanese took
Wuchow they would undoubtedly be in a posi-
tion to obtain control of many Kwangsi

exports

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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

-2-

exports, such as wolfram and ^{Cassia} ~~Kacha~~, which
are now reaching the coast through various
Chinese channels.

793.94/15886

Kok

FE:Krentz:MHP

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

NO. 86

AIR MAIL

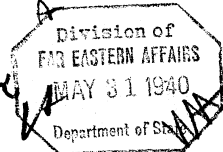


PAH
DCA

AMERICAN CONSULATE GENERAL

American Foreign Service, Hanoi, Indochina,
May 10, 1940.

SUBJECT: Possible Japanese Drive
against Wuchow, Kwangsi.



1-1468
AM 11 43
1940 MAY 31
DIVISION OF
COMMUNICATIONS
AND RECORDS
THE HONORABLE
SECRETARY OF STATE,
SIR:

For Distribution-Check		Yes	No
WASHINGTON	To field	<input checked="" type="checkbox"/>	<input type="checkbox"/>
For	In U.S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8.8		1170	

I have the honor to report, as of possible interest to the Department and for what it may be worth, a conversation which I had recently with Mr. W. H. Oldfield of the Christian and Missionary Alliance at Wuchow, Kwangsi, in regard to the situation in that region and particularly as to his views concerning possible future Japanese activity.

Mr. Oldfield stated that for some little time he had heard rumors of an increase in the Japanese forces between Canton and Wuchow and that he believed that the Japanese were but waiting for high water in the West River to begin a drive against Wuchow. He remarked that at high water gun boats can ascend as far as Wuchow. At the same time, he attributed the recent apparent quiescence of the Japanese forces in and around Nanning to a period of preparation for a simultaneous drive from Nanning towards Wuchow. From his recent observations in the Wuchow area, he was disinclined to believe that the Chinese would put up much of a resistance to the Japanese occupation of that city.

He

793.94/15886

F/N

COMMERCIAL AFFAIRS
Department of State

JUN 8 - 1940

AIR MAIL

- 2 -

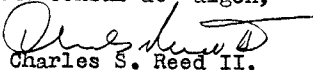
He said, however, that his Chinese sources of information belittled the importance of any Japanese success in the Wuchow area and were optimistic as to Chinese chances against the Japanese in other regions, particularly in Honan.

He added that the success of the Japanese drive would probably endanger the extensive mission property at Wuchow, 4 pieces in the city and 4 pieces opposite the city at the confluence of the West and Fu Rivers, and cited the alleged Japanese destruction of the mission's property at Lungchow.

I gathered from Mr. Oldfield that a not insignificant amount of merchandise was reaching unoccupied China by various routes crossing the West River between Wuchow and Nanning, which would be comparatively impossible if the Japanese succeeded in this present rumored objective.

Respectfully yours,

For the Consul at Saigon,


Charles S. Reed II,
American Consul.

In duplicate to the Department (Original by air mail)
Copies to the Embassy, Chungking and Peiping
Copies to Consulates General, Hongkong and Shanghai
Copy to Consulate, Saigon

800

CSR:csr

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. 81

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

RECEIVED
DEPARTMENT OF STATE AMERICAN CONSULATE

Yunnanfu, China, May 16, 1940.
1940 MAY 31 AM 11 42

DIVISION OF
COMMUNICATIONS
AND RECORDS

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
JUN - 4 1940
DEPARTMENT OF STATE

STRICTLY CONFIDENTIAL

Division of
EASTERN AFFAIRS
MAY 31 1940
Department of State

SUBJECT: Destruction of Ammunition Store-
houses at Chefang, Yunnan.

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COMMERCIAL AFFAIRS
Department of State

DIVISION
JUN 8 1940

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JUN 10 1940			

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Treasury in confidence
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The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to the Consulate's telegram to Hong Kong dated April 19, 9 a.m., which was repeated to the Department, and to report such information as this office has been able to obtain concerning the destruction at Chefang, Yunnan, on April 12, 1940, of six ammunition storehouses of the Chinese National Government, which were under the management of the Southwest Transportation Bureau.

These ammunition dumps were located on the Burma highway, slightly less than a mile from the town of

Chefang

F/N

-2-

Chefang (盛放) in southwest Yunnan, which place is about 30 miles from the Burma border. Chefang is understood to be one of several storage points for Chinese military supplies located along the Burma Highway; others are situated farther inland. It is reported that at the time of the explosion approximately seven thousand tons of supplies, mostly ammunition, dynamite and gasoline, were stored at Chefang. The destruction was complete. The value figure for the supplies destroyed is generally given as NC\$100,000,000, equivalent at current rates to about U.S.\$4,000,000. In addition, 22 trucks belonging to Vertannes Brothers, a Rangoon transportation firm, were wrecked, although they were stationed about a quarter of a mile from the scene of the explosion. The casualties are generally estimated at something over fifty, mostly coolies, with more than twenty dead; reports vary on this feature, however. The explosion occurred at about 9 p.m., at which time many of the workers quartered nearby had not returned for the night.

While opinion has varied as to the cause of the explosion, observers with the best information and judgment believe that it arose from a charge set off a short distance from the storage godowns, and that sabotage was the motive. However, a number of Burmese truck-drivers employed by Vertannes Brothers stated emphatically that they saw lights in the sky preceding the blast which they believe must have belonged to aircraft, and that the explosion must have been caused by bombing. To support the bombing hypothesis it is

suggested

-3-

suggested that Japanese planes might have been based in Thailand. It is understood that British authorities across the Burma border were interested in this possibility. Apparently no occidentals were near the scene at the time, consequently foreign accounts are second-hand. A number of foreigners, in the beginning at least, adhered to the bombing explanation. More practiced observers feel that if such an attack had occurred there would be bomb-holes near the scene. Although two large craters are discernible, they are generally attributed to stored explosives and are too deep and wide to have been caused by any but the largest bombs. Moreover, it is pointed out that such precision in finding the objective in unknown country on a night flight is unlikely.

Another report which is given some credence here is that the charge was set off from an underground passage which led toward the godowns from a pottery factory located a short distance therefrom. However, the Consulate has been unable to verify that this tunnel or its remains have yet been discovered.

T. L. Soong, head of the Southwest Transportation Bureau, left for Chefang by plane on April 17, accompanied by local officials of that organization. It is understood that some time was spent in investigation, but the Consulate has been unable to obtain any information concerning the findings of the inquiry party. It is obvious from the non-committal attitude of Chinese officials and civilians that the matter is being treated as a military secret. By report, certain sus-

pects

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

-4-

pects have been rounded up; one official who fled from Chefang was taken into custody near the border; certain others who feared punishment have fled into Burma.

Out of this welter of rumor it is difficult to assign definite weight to any of the explanations. It is the opinion of an American military observer who recently visited western Yunnan that it may be a long time before the exact origin of the explosion is cleared up, if ever it is.

A field laboratory established at Chefang by the American anti-malaria mission was rocked by the blast. However, it is understood that no structural damage was done and that repairs have been carried out by Dr. Hiram J. Bush, who deferred his departure for the United States for this purpose.

Respectfully yours,

Troy L. Perkins
Troy L. Perkins,
American Vice Consul.

In quintuplicate to Department, original by air mail.
Copy to Embassy, Chungking, by air mail.
Copy to Embassy, Peiping.
Copy to Consulate, Rangoon.
Copy to American Consul, Hanoi.

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TLP:Epy

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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

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To note quoted paragraph.
Page 2.

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



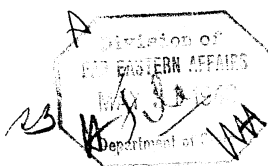
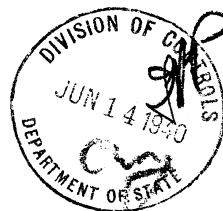
EMBASSY OF THE
UNITED STATES OF AMERICA

No. 533.

Chungking, May 17, 1940

Subject: Japanese Bombing of Kweiyang,
Kweichow, on May 1, 1940.

AIR MAIL



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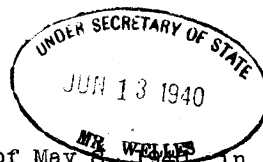
DEPT. OF
COMMUNICATIONS
AND RECORDS

793.94/15888

The Honorable

The Secretary of State,
Washington, D. C.

Sir:



Continuing my despatch no. 522 of May 8, 1940, in which I quoted the observations of an American missionary in regard to the results of a recent Japanese aerial attack on a market town in southwestern Honan, I have the honor to quote below an excerpt from a letter addressed to a member of my staff under date May 14, 1940 by Mr. Arthur J. Allen, an American citizen now serving as secretary of the Kweiyang committee of the International Red Cross Committee for central China, in regard to a Japanese aerial bombing attack carried out on Kweiyang, Kweichow, on May 1, 1940:

"I should have written to you the next day, May 1st, following the more serious raid. The common report seems to put total deaths at 33 for the two raids, most of the people killed having been machine gunned among the graves just south

of

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AIR MAIL

- 2 -

of the city. The most serious hit was the Central Hospital. Mr. Mitchell and one or two others watched two planes machine dive on the hospital and the dining room received two (or four) bombs. Dr. Greene said two, but Dr. Shen the superintendent later said four. Four nurses were killed outright and five others, doctors and nurses, were injured, some seriously. Curiously no patients were injured though some of the wards were wrecked. They crawled down into their pu-kais and thus escaped! Rather tragic, these people taking what they can carry out of the city and hiding in the graves only to be shot and bombed in a way that cannot possibly serve any military purpose."

In an earlier letter Mr. Allen reported that Kweiyang was also raided by a single Japanese plane on April 30, 1940, but that casualties and property damage appeared to be slight.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

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Copy to Embassy, Tokyo

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*no C.C.'s
W.M.*

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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

No. 536.

Chungking, May 18, 1940

Subject: Japanese Attempt to Bomb and
Destroy Highway Bridge over
Pan River in Kweichow

AIR MAIL

Confidential

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IN CONFIDENCE

June 3. E.J.L.

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
IN CONFIDENCE

June 3. E.J.L.
Division of
FAR EASTERN AFFAIRS
JUN 1 - 1940

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DIVISION OF
FAR EASTERN AFFAIRS
CONFIDENTIAL
AND SECRET

The Honorable

The Secretary of State,
Washington, D. C.

Treasury in compliance

Sir:

I have the honor to report that, according to information received from an American adviser to the Chinese Ministry of Communications, a large squadron of Japanese planes, the exact number of which is unknown, on May 14, 1940 attacked and endeavored to destroy by aerial bombing the wooden bridge spanning the Pan river (盤江) on the Kweiyang-Yunnanfu highway near the city of Annan (安南) in southwestern Kweichow. According to the Embassy's informant, although some two hundred bombs were dropped in the vicinity of the bridge, there was no damage to the bridge itself. Traffic is said to be proceeding normally.

Insofar as the Embassy is aware, the foregoing attack represents the first attempt on the part of the Japanese to bomb this vital artery of communication with the interior. Even if the bridge should be destroyed in some future attack, it is understood that the Chinese authorities are maintaining ferry equipment in readiness for auxiliary service.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

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Copy to Consulate, Kunming.

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TELEGRAM RECEIVED

MA

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

Hong Kong via N.R.

FROM

Dated June 1, 1940

Rec'd 9:02 a.m.

Secretary of State

Washington

169, June 1, 10 a.m.

Division of
FAR EASTERN AFFAIRS
JUN 1 - 1940
Department of State

DIVISION OF
EUROPEAN AFFAIRS
JUN 5 1940
DEPARTMENT OF STATE

Rumors always current here of Japanese naval and
military concentration in the Hainan island area have
been accentuated during recent days. In seeking confirm-
ation I learned last night that several large Japanese
troop transports were seen by reliable observers
approaching Hainan on the night of May 26.

Unconfirmed reports estimate that Japanese
troops now on Hainan exceed 150,000.

Best informed Hong Kong opinion is that Japanese
naval and military forces concentrating in the
Hainan area are in preparation for possible movement
against Indo-China or the Dutch Indies or both depending
on developments in Europe.

Usually reliable sources here say that a Japanese
naval conference of importance took place recently
in Canton and that it included representatives from
Hainan and other areas.

Repeated to Chungking, Canton and Peiping for Tokyo.

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

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CONFIDENTIAL

PARAPHRASE

A telegram (no. 169) of June 1, 1940, from the American Consul General at Hong Kong reads substantially as follows:

During the past few days there has been an increase in the rumors which are always to be found in Hong Kong of military and naval concentration by the Japanese in the region of Hainan Island. According to unconfirmed reports, there are at the present time more than 150,000 troops on the Island. On the evening of May 31, the Consul General learned while seeking confirmation of the rumors concerning Japanese concentration on Hainan that on the night of May 26 reliable observers saw several large Japanese troop ships nearing Hainan Island. The concentration of military and naval forces by Japan in the Hainan area might be in readiness for a possible movement against the Dutch East Indies or French Indochina or against both depending on European developments, according to persons in Hong Kong who are the best informed. It is said by persons in Hong Kong who are usually reliable that a short time ago a conference which included representatives from various areas, including Hainan, was held in Canton.

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

FAR EAST BULLETIN

NEWS AND VIEWS FROM CHINA

DISTRIBUTED SEMI-MONTHLY
BY KUOSIN AGENCY

P.O. Box 1629
KOWLOON, HONG KONG

(INCORPORATING "CHINA NEWS")

Division of
FAR EASTERN AFFAIRS

APR 15 1940

Department of State

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No. 6

1st April, 1940.

THE SIGNIFICANCE OF JAPANESE ACTIVITY ON HAINAN ISLAND

If the Japanese designs on Hainan Island are to be successful, the occupied areas must first be consolidated. The main force of the Chinese troops on the island must be destroyed and those that eventually remain must be driven into the interior. This is an absolutely necessary preliminary step if the Japanese are to be successful in turning the island into a ladder for their southward expansion. Realising this, General Nishio, the Commander-in-Chief of the Japanese Expeditionary Forces to China, flew to Haihow--the main city on the northern coast of the island and only separated from the mainland by the narrow Hainan Strait--on February 29th, to give personal directions for the campaign. Following his visit, Japanese troops launched a six route offensive which began on March 4th.

Topography

Hainan Island is the largest island that China now possesses. Being in area about 23,000 square miles, it is a little larger than the State of Costa Rica in Central America, and about the same size as Formosa. Separated from French Indo-China by the Gulf of Tonking, it lies about 300 miles southwest of Hongkong on a parallel with the northernmost point of the Philippine Islands. It has long been recognised as a strategic point in the southern Pacific, and in 1897 a treaty was concluded between China and France to the effect that Hainan Island should not be leased to any third power.

Like Formosa, the central part of Hainan Island is mountainous. The Li Mu Range, otherwise known as the Wu Chih Shan, or Five Finger Mountains, as the name implies, spreads in ridges throughout the central part of the island from a main peak situated in the center of the southern half of Hainan. There is one great difference, however, between Hainan and Formosa. Whereas Formosa has only three rivers, Hainan Island has numerous ports and bays all round its seacoast.

Hainan Island is the native place of the Soong family and it was with the help of T.V. Soong that a highway was built along the seacoast five years ago. Otherwise throughout the interior there are only the old, rough mountain roads. Before the outbreak of the present Sino-Japanese war, Hainan Island was the base of the Red Armies who were surrounded there and attacked by Central Government troops in a campaign lasting for several years. These attacks, however, did not meet with any

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success and in October, 1938, after the fall of Canton, these Red Armies were reorganized as the self-defense corps under the command of the famous Red general, Feng Pai-chu, otherwise known as "White horse Feng."

Japanese occupation

Japanese troops landed on Hainan Island in February, 1939. The Chinese garrisoned there at that time only consisted of two brigades, or about 3,000 men. All the other troops were local armed forces. With the cooperation of the navy, Japanese troops very quickly occupied the various cities all round the coast and Chinese troops withdrew into the villages or the mountains. More than a year has elapsed since then, but the Japanese troops are still compelled to be content with the occupation of cities on the sea coast, for the main part. The furthest point that they now hold from the coast is only 31 miles inland.

There are only sixteen haïens on Hainan Island, of which eleven are partly occupied by the Japanese. But these occupied areas are in seven separate units between which the navy is the necessary means of communication. Though there were formerly very good highways on the island, they have already been destroyed by Chinese troops and the Chinese people. In the northern part of the island where Japanese troops occupy a comparatively large area, there are several very short highway lines which are under their control but these are frequently intercepted and destroyed by Chinese troops. For instance, Tanhsien, a city on the northwestern coast, was originally connected with Haihow, but this line of communication was cut by Chinese troops last January. Communication between Tanhsien and Linkaohsien, midway between Haihow and Tanhsien, was interrupted by Chinese troops in the middle of February.

Japanese policy of expansion

The ambitious Japanese militarists have been arguing the case for southward and northward expansion for many years. In the past the majority of the Japanese militarists have been in favour of northward expansion, while the Navy has advocated southward expansion. Since the Japanese Army has suffered heavily during its two years of aggressive warfare in China, it is no longer so anxious for northward expansion. (Such expansion of course would be directed against the Soviet Union.)

As there does not seem to be any hope of an early conclusion of the China Incident, the political domination of the Army in domestic affairs has also been relatively weakened. On the other hand that of the Navy has relatively increased. Moreover, since the new turn in the international situation, the Japanese militarists' dreaming of a movement for southward expansion has become more active than in the past.

In recent weeks, with the lack of offensive action by Japanese troops on any of the fronts in China, the Japanese have been actively working on the building up of Hainan Island. The militarists are planning to make Hainan into a second Formosa to be used as a base for operations in southward expansion. They are preparing to turn the port of Haihow in the north, the port of Yuling in the south, and the port of Sanya (west of Yuling but east of the Yachow bay) into military ports.

The Japanese March offensive

In the six-route offensive launched by the Japanese in Hainan on March 4th,

-3-

there are two of outstanding importance--the northeastern and the northwestern.

The northeastern part of Hainan Island, which is a comparatively rich area, is garrisoned by Chinese regular troops under the command of General Wang Yi (brother of Wang Chun, vice-commander-in-chief of the 12th Army Corps of General Yu Han-mou). The Japanese concentrated a force of approximately ten thousand to launch an attack on this front from both the east and the north. The fighting took place all along the northern Li Mu mountain range and was continuing unabated up to the 20th March. In addition to the land forces, two squadrons of aeroplanes were used for continuous bombing. The Chinese, however, were able to make good use of the mountainous terrain and suffered practically no casualties whatsoever.

In the northwestern part of the island the ex-Red troops with the guerilla forces under their command, are very active. These troops are all experienced in guerilla tactics and constitute a great menace to the Japanese. There is a force of about 5,000 guerillas and to attack these the Japanese used six to seven thousand troops. The Japanese marched southward along the seacoast highway and at first made very rapid progress. But as they got farther from their base, units began to be frequently surrounded and intercepted. At Hosheng, about thirty miles south of Tanhsien, one crack Japanese unit was surrounded and was forced to depend on the airforce for delivery of supplies and ammunition. When this unit finally forced its way out, there were only 200 survivors out of a total of more than five hundred.

Everywhere in the northwest the Japanese have met with similar experiences. Up to the 15th March all they had succeeded in doing was to break through thirty miles of the seacoast highway between Tanhsien and Linkao to the south. Other cities and villages left in the hands of small Japanese garrisons were retaken by the Chinese.

Of the other routes taken by Japanese troops, two were taken by less than 1,000 men. These were in the southeastern and southern part of the island, and from both attempts the Japanese were compelled to withdraw to their original defensive positions.

The future of Hainan

After they landed on Hainan in February, 1939, the Japanese occupied all the comparatively large sea ports. By every endeavor they tried to isolate Chinese troops on the island and prevent them from having intercourse and receiving supplies from outside. Their object was to starve and eventually to annihilate them. But there are too many small ports on the island which can be used as bases for communication with the outside world by means of sailing boats. Moreover the Chinese troops are in a good position to capture enemy arms and munitions with which to arm themselves.

In the future the Japanese will probably use Hainan Island as a place to station wounded or tired soldiers from the South China front. It will become a station for replacement and reorganisation. At the same time they are likely to intensify the blockade of all the sea ports of South China in a further attempt to cut off the island from the outside world. Later on they will again try to penetrate into the interior step by step.

In short, the Japanese do not intend to abandon their plan of making Hainan Island into a military base. The preliminary construction of the three military ports of Haihow, Yuling and Sanya has already begun.

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

-4-

AN ANALYSIS OF WANG CHING-WEI'S PUPPET REGIME

The formal inauguration of Wang Ching-wei's Puppet Central Government took place in Nanking on March 30th.

Under the direction and supervision of their masters: General Nishio, Commander-in-Chief of the Japanese Expeditionary Forces to China; Itagaki, the Chief of Staff; and Okamori, head of the North China Office of the Japanese China Affairs Board; Wang Ching-wei, Chinese traitor No. 1, and his underlings such as Chow Fu-hai (formerly head of the Propaganda Department of the Chinese Kuomintang Party), Chu Min-yi (brother-in-law of Wang Ching-wei), together with Wang Keh-min, Chi Hsieh-yuan (formerly governor of Kiangsu Province before he was defeated by the National Revolutionary Army--Chiang Kai-shek's troops), representatives of the Peiping Provisional Government, and Liang Hung-chih, Wen Tsung-yao, etc., representatives of the Reformed Government, held the so-called "Central Political Council" for three days in Nanking. It was at this "Council" that it was decided that the new puppet "Central Government" would be established on March 30th.

It seems that this new development has received more attention in international than in Chinese circles, and it is perhaps well to ask the reason for this. First, of course, it is due to the calculated and active propaganda of Japanese news agencies as well as some of the foreign news agencies, who have made a deliberate attempt to work up international attention to this event. Second, it is true that Wang Ching-wei's puppet regime being established, third powers will actually have some dealings with it. They are, therefore, obliged to prepare the necessary steps to cope with the situation.

As regards the Chinese, they have long been convinced that the appearance of the new puppet regime will have no effect upon the general situation of the war of resistance. Neither will it be able to play any role in the disintegration of the government from within. It is just as we pointed out in the first issue of the FAR EAST BULLETIN (15th January, 1940), namely, when "the puppet central regime eventually materialises, it perhaps means one thing only, and that is that Japan has failed in the last instance to conquer China through a peace offensive."

Although foreign circles seem to be so interested in Wang Ching-wei's puppet regime, there seems to be extraordinary confusion as to its nature and the processes that brought it into being.

The convocation of this "Central Political Council" was in accordance with the decision of the Tsingtao Conference held last January. The nature of this Council is only temporary and it will be dissolved immediately after it has performed its stipulated function. What then is this stipulated function?

This Council was called into being principally to "give the right and authorize the Chairman (i.e. Wang Ching-wei) to decide on the program for the readjustment of new Sino-Japanese relations and the general plan for the establishment of the 'Central Government'." The exposure, last January, of the Wang Ching-wei-Japanese secret treaties by Kao Tsung-wu and Tao Hsi-sheng, former members of Wang's staff, must at this point be recalled. The validity of these treaties was denied by Chinese traitors of the Wang clique, firstly, because they were detrimental to the existence of China as a nation and, secondly, because Wang Ching-wei does not

-5-

possess any authority to conclude any treaty with foreign countries.

At the time, even some of the foreign news agencies came to the help of the traitors by supporting the denial. But now these same traitors make all these admissions without the slightest blush. The so-called "authorising of the Chairman with the right to decide on the program for the readjustment of Sino-Japanese relations" can only mean the investiture of full power in Wang Ching-wei to conclude treaties with the invaders to the detriment of the Chinese nation. It is to be used to legalise the "secret treaties between Wang and the Japanese."

The first resolution to be passed by the "Central Political Council," therefore, concerned the "Program for Sino-Japanese Peace." What the contents of this "Program" are is not to be disclosed by the "Council." Delegates present at this Council did not dare to ask any questions. No doubt this "Program" is just the very "General Outline for the Readjustment of Sino-Japanese Relations" which has been cursed by all Chinese people. (Of. FAR EAST BULLETIN, No.2, 29th January, 1940.)

Internationally both the Japanese and Wang Ching-wei are disseminating propaganda to the effect that the so-called new "central regime" is not the establishment of another new "Nationalist Government", but merely the return to Nanking of the original "National Government". The entire organisation and constitution, therefore, is exactly the same as the original "Nationalist Government." There are absolutely no changes. Five Yuans will be established within the "Nationalist Government," i.e. the Legislative, Judicial, Administrative, Examination and Control Yuans. The flag of the "blue sky with the white sun" will be flown, while "Kuomintang" will take control of the government. The Chinese traitors are bluffing themselves that by these gestures and manoeuvres, the so-called "return to the capital" by the so-called "Nationalist Government" will be regarded as legal both domestically and internationally. And they think that this can be done by the mere promulgation of a "declaration".

The Chinese Kuomintang, as we understand it, is the political party now in control of the Chinese government. The Central Executive Committee of the Kuomintang is the organ possessing the greatest power of leadership in the whole country. This is emphasised by Article 15 of the Organisational Law of the Nationalist Government which stipulates: "Before the promulgation of the Constitution, the Administrative, Legislative, Judicial, Examination and Supervisory Yuans are all held responsible before the Central Executive Committee of the Kuomintang."

This stipulation is completely disregarded by Wang Ching-wei. The puppet "Central Political Council" passed a resolution to establish a "Central Political Organisation" to take the place of the Central Executive Committee of the Kuomintang. This new Organisation is to be regarded as having the highest powers of leadership in the whole country. But how is this "Central Political Organisation" to be organised? It is to be organised by a mixture of Kuomintang party members, members of other political parties and other delegates without any party inclination. In other words, Kuomintang is to be divested of its former dominant position either actually or nominally. This step, of course, has been taken simply to comply with Japanese demands.

After the establishment of the puppet "central regime", the Provisional Government and the Reformed Government are to be nominally abolished. The "North China Political Affairs Commission" will take the place of the Provisional Government which

-6-

will control the three provinces of Hopei, Shantung and Shansi, and the three municipalities of Peiping, Tientsin and Tsingtao. As to Chahar and Inner Mongolia, they have long been regarded as the "Communist Prevention Area" of Japan. They will not, therefore, be controlled by the "North China Political Affairs Commission" and consequently will have nothing to do with the Wang Ching-wei regime.

According to the Organisational Regulation of the "North China Political Affairs Commission", the said Commission will be given the right of "convenient disposal" with regard to "affairs in connection with anti-communist measures and public order" and the "exploitation of North China resources." It will also be given the right to deal with "foreign affairs concerning local incidents."

What does this mean? It means that the "North China Political Affairs Commission" will have complete right to conduct all their military, political, economic and diplomatic affairs in North China without any interference whatsoever from the puppet regime of Wang Ching-wei. Wang Ching-wei's sphere of influence will be confined to the "occupied areas" in Kiangsu, Chekiang and Anhwei. But even in this area he will not be allowed a monopoly. All the important people in the "Reformed Government," such as Liang Hung-chih, Wen Tsung-yao, Chen Chun, Jen Yuan-tao, etc., will be given important posts in Wang Ching-wei's government. With regard to Hankow and Canton, they will constitute two independent units and will not be considered as a part of Wang's sphere of influence in any way.

As was pointed out in FAR EAST BULLETIN No.1, the puppet regime will serve one purpose only: "it may be used to wipe out the interests of third powers in China--the foreign concessions and settlements, foreign shipping in inland rivers and along the coast, British heavy investments in Chinese railways, British domination of Chinese Customs, etc." Mr. Muto, head of the Military Affairs Bureau of the Japanese Ministry of War, as much as confirmed this view when, in replying to an interpellation in the House of Commons on March 22nd, he said: "Japan will make other foreign countries abandon their concessions in China. In case these foreign powers are not willing to comply to our intentions, Japan will be compelled to resort to proper measures."

It is obvious what Mr. Muto meant by "proper measures." It is to instigate the puppet regimes to take over the foreign concessions and thus radically to rob the third powers of their bases for trade and investments which will be monopolised by the Japanese exclusively.

To China, the effect of the new development in the puppet regimes will only be to consolidate the determination of the Chinese Government and the Chinese people to continue to resist and fight to the end. Moreover, Wang Ching-wei's puppet organisation will be able to do nothing to make conditions in China more favorable to the Japanese militarists.

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The essential purpose of the FAR EAST BULLETIN is to present objective accounts of what actually is taking place in China today. The KUOSIN AGENCY here presents to English-speaking readers material showing how China is fighting for its existence as reported by the most responsible and best equipped Chinese correspondents on the various fronts.

DECLASSIFIED: E.O. 11652, 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 RESEARCH AND PUBLICATION

5-18-40

RP

Dr. Reid:

Will you please
look into this and let me
know what you find?
Thank you.

WJ

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

George James
c/o Welles Fargo
Mexico City, Mexico

May 8, 1940



Division of Research and Publications
Department of State
Washington, D. C.

MAY 28 1940
DIVISION OF
RESEARCH AND PUBLICATION

Gentlemen:

I am an American student of government and foreign relations studying in Mexico. I called at the American Embassy on the following and was advised to write to you.

Are there any publications treating with the famous Tanaka Memorandum? This became public about 1927, I believe. You have a publication--a monthly, I believe--does this mention the document? I would like to have the English text. Was there any official comment about the document, either by the Japanese or United States governments? Was there any "unofficial" comment? I understand that the Japanese have denied the authenticity of the document.

Any help you could furnish will be deeply appreciated and of course I am ready to pay any expenses either as a purchase price for the documents or for mailing. If you have no publications concerning the subject, I would appreciate any references (newspapers, magazines, etc.) you could suggest.

Respectfully yours,

George James
George James

MAY 28 1940

F/FG

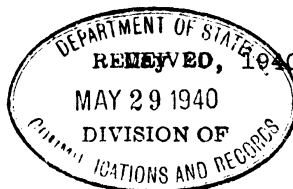
793.94/15892

793.94

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

May 21, 1940

DEPARTMENT OF STATE
DIVISION OF RESEARCH AND PUBLICATION



RP

Mr. Gerber:

In response to your inquiry, attached hereto,
may I report as follows:

The so-called "Tanaka Memorial" of July 25, 1927, to the Japanese Emperor, may be found in English translation in a publication received by the Department Library on March 30, 1932, and probably published in 1931, entitled The Memorial of Premier Tanaka or A Japanese secret design for the conquest of China as well as The United States and the Rest of the World, New York (World Peace Movement, 108 Park Row), 44 pp. There is nothing to indicate who translated this document or how and where it was obtained.

Prime Minister Tsuyoshi Inukai of Japan, successor to Baron Tanaka as leader of the Seiyukai, in an introduction to a book published in 1932, calls the document "a forgery, pure and simple", etc.; see K. K. Kawakami, Japan speaks on the Sino-Japanese crisis, New York (Macmillan Co.), 1932, p. xi. The author's preface is dated March, 1932; and his Appendix No. 1, "The Memorial of Premier Tanaka", pp. 145-146, contains further comment by himself.

Additional Japanese reaction to the document is to be found in "Truth about the alleged Memorial of Premier Tanaka on Manchuria", Supplement to International Gleanings from Japan, Tokyo (The League of Nations Association of Japan, 12, Nichome, Marunouchi), No. 14, May 15, 1932, pp. 1-4. The editor of this publication is Mr. Sukeyuki Akamatsu.

Victor Rine, M.A., Machiavelli of Nippon: Japan's Plan of World Conquest, New York (The Wandering Eye (Writers-Publishers) Incorporated), 1932, is sub-titled "Willed by Emperor Meiji, Developed by Premier Tanaka, 'Tanaka Memorial' proven genuine by", in a preface dated New York City, autumn, 1932, and 111 pp. References to other publications may be found therein on pp. 1 (preface), 89-94, 102-105. These include T. A. Bisson in Time Magazine, March 21, 1931; Victor Rine in New York Times, May 15, 1932; and the Tokyo correspondent of the Times, ibid., April 6, 1932.

F. W. - 793.94/15892

F/FG

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

-2-

Colonel Stimson does not refer to the document in his book on the Far Eastern Crisis. I see no reason why the United States Government should publish its views on the matter, whether officially or unofficially; and I do not know of any such publication. From my reading, I would judge that the so-called Memorial is not accepted as a genuine document (i.e., by Baron Tanaka) and was translated into English from Chinese, not Japanese. So far no proof has been marshaled of the authenticity of this document, even though its general purport may be plausible and more or less in keeping with certain ideas in Japan.

RP:JGR

JR

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

May 29, 1940

To the

American Consular Officer in charge,
México, D. F., Mexico.

The Secretary of State encloses a copy of a letter of May 8, 1940 from Mr. George James, Care of Welles Fargo, México, D. F., in which he requests information regarding the "Tanaka Memorandum".

If no objection is perceived, the Consular Officer in charge is instructed to make an appropriate acknowledgment to Mr. James of the receipt of his letter and to communicate to him the substance of the enclosed memorandum.

Enclosures:

1. From Mr. James,
May 8, 1940.
2. Memorandum.

RP:WG:HCP 5/23/40
JVB

FE
JMB

MAY 29 1940
CR

793.94/15892

E/EG

MEMORANDUM REGARDING THE "TANAKA MEMORIAL"

An English translation of the so-called "Tanaka Memorial" of July 25, 1927 to the Emperor of Japan is printed in The Memorial of Premier Tanaka, or A Japanese Secret Design for the Conquest of China As Well As the United States and the Rest of the World (New York: World Peace Movement, 108 Park Row, 1931 [?], 44 pages).

Prime Minister Tsuyoshi Inukai of Japan, successor to Baron Tanaka as leader of the Seiyukai, in his introduction to K. K. Kawakami's Japan Speaks on the Sino-Japanese Crisis (New York: The Macmillan Company, 1932), page xi, refers to the "Tanaka Memorial" as "a forgery, pure and simple". Comment by Mr. Kawakami will be found on pages 145-146 (Appendix No. 1, "The Memorial of Premier Tanaka"). For additional Japanese reaction to the document, reference may be made to the publication "Truth About the Alleged Memorial of Premier Tanaka on Manchuria", Supplement to International Gleanings from Japan (edited by Sukeyuki Akamatsu and published by the League of Nations Association of Japan, 12, Nichome, Marunouchi, Tokyo), No. 14, May 15, 1932, pages 1-4.

Victor Rine's Machiavelli of Nippon; Japan's Plan of World Conquest (New York: The Wandering Eye (Writers-Publishers), Incorporated, 1932) is sub-titled "Willed by Emperor Meiji, Developed by Premier Tanaka, 'Tanaka Memorial' Proven Genuine". This book contains on pages 1, 89-

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

-2-

94, and 102-108 reference to other sources, including statements or articles by T. A. Bisson in Time, March 21, 1931; by Victor Rine in the New York Times, May 15, 1932; and by the New York Times Tokyo correspondent in the New York Times, April 6, 1932.

The Department is not aware of any reference to the "Tanaka Memorial" in any publication of the United States Government. This does not preclude the possibility that a passing reference to the document may have been printed in some Government document.

CROSS-REFERENCE FILE

NOTE

SUBJECT American-Japanese relations.
Comment regarding --.

793.94 / 15893

For the original paper from which reference is taken

See #128
(Despatch, telegram, instruction, letter, etc.)

Dated April 2, 1940 From Amoy (MacVitty)
To

File No. 893.00 P.R. Amoy/150

N

15893

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

1. American-Japanese Relations.

While there was no comment in the Japanese sponsored press in Amoy that indicated any change in American and Japanese relations; there were several small instances during the month which indicated that the local Japanese authorities were not endeavoring to show preference in matters relating to Americans and Filipinos that they had exhibited during the past few months.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations.

Report concerning -, for month of March, 1940.

22

For the original paper from which reference is taken

See # 189
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 5, 1940 From } Foochow (Ward).
To }

File No. 893.00 P.R. Foochow/ 146.

793.94 / 15894

15894

-1-

II. Foreign Relations.

A. Relations with the United States.

Nothing to report.

B. Relations with Japan.

1. Foochow and the fleet concentration.

71249
Foochow passed through another of its chronic crises at the close of March, when the reported concentration of a Japanese fleet off Amoy led to rumors that an attack all along the coastal area of this province was contemplated.

In the forenoon of Saturday, March 30, the local Government appeared to be in possession of what it believed to be accurate information of the number of the ships concentrated (they were stated to exceed eighty-three, with fifteen submarines) and had received several reports - which were accepted locally - of the landing of a force on the Fukien coast near Amoy in strength equal to that of the whole 100th Army, the force charged with the defence of Fukien.

The bombing of Kienow (建瓯) the same day and the appearance in the Foochow air sector of fifteen Japanese planes heightened the tension, which continued throughout Saturday and Sunday, bringing the month under review to a close as crowded with apprehension as had been any period since last July. Fortunately for everyone concerned, this feeling reached the masses of the population only several days later, when the reason for it no longer existed.

2.

-2-

2. Reaction to the new regime. Although at the close of the month no report had as yet appeared of any action or statement on the part of the Chairman or other ranking members of the Provincial Government apropos of the establishment of the Wang Ching-wei regime*, many officials, lower in rank, had published sharp denunciations of Wang, and the general reaction to the new regime seemed almost to be a mixture of indifference and contempt.

No politically-informed person accessible to this office regarded the new government as anything but an almost powerless puppet regime exercising only nominal control even in the area supposed to be directly under it. It was suggested that the creation of the regime was more an indication of Japanese failure than success, since it evidenced their desire to create some acceptable Chinese medium through which they might deal with Generalissimo Chiang Kai-shek.

In all this a note of caution was introduced by the wide-spread reports that Wang Ching-wei desired the incorporation of Foochow in the territory under his control, and by the consideration that were the Japanese to succeed in clearing the Canton-Hankow line, Fukien would be cut off from the rest of China.

3. Collection to pay an assassin. Perhaps the most notable evidence of the local attitude toward

Wang

*The Nan Fang Jih Pao of April 3 reported that on April 1 a joint telegram bitterly denouncing Wang and signed by Generals Ch'en I, Ch'en Ch'i, Chao Nan, Hwang Chen-wu, Han Wen-ying, Wang Chi-hsiang, Ch'ien Tung-liang, etc., and Admiral Li Shih-chia (among others) had been circulated.

-3-

Wang Ching-wei was the circulation in Foochow of a lucky-chain letter which requested recipients to make a contribution, no matter how small, to a fund which is being collected to be given as a reward to the person who assassinates Wang.

4. Japanese aerial activity. There was considerable reconnoitering by Japanese planes over this district during March, but only six raids were actually carried out during that period as against nineteen for February.

The Ch'angmen Forts and Kuant'ou were both bombed on March 18, ten bombs in all being dropped. According to Chinese reports, little damage was effected, and casualties were unknown.

The following day, March 19, another raid was carried out over the Ch'angmen Forts, in the course of which nine bombs were dropped, and on the 20th the Forts were again raided, eight bombs being dropped.

There was then no further attack until March 30, when, as has been noted above, fifteen planes dropped nine bombs on Kienow. While that raid was in progress, another squadron of fifteen planes again attacked the Ch'angmen Forts, dropping five bombs on them, but (according to Chinese reports) without effecting any damage.

5. Chinese sink an armed trawler. At about 8:20 a.m. on March 11, 1940, an armed Japanese steam-launch, which was said to be carrying over a hundred Japanese soldiers or marines, crossed the Chinese barrier at the mouth of the Min River, standing

off

-4-

off some distance from the Ch'angmen Forts. The Forts fired fifteen rounds at the boat, but did not succeed in hitting it until it had recrossed the barrier and reached Sharp Peak. There a shell struck its stern, and the launch sank.

It was at first reported that there had been no casualties, but, according to later reports, a number of the Japanese aboard were drowned.

6. Society of the Friends of the Wounded.

The principal service of Fukien to the cause of the Central Government in the present hostilities has been as a reservoir of man-power for the national armies. For some months soldiers wounded at the front and demobilized as unfit for further service have been drifting back to this area.

To meet the problem which these wounded ex-soldiers present, the Provincial Party Headquarters, acting on instructions from the National Headquarters of the New Life Movement, organized during March a Society of Friends of Wounded Soldiers, to which every member of the party was expected to belong, and through which contributions are being raised for the assistance of maimed ex-soldiers. As a part of the campaign, newspaper articles were published and speeches were made, urging the people generally to assist such soldiers.

Meanwhile to aid families whose wage-earners had been conscripted, orders were issued under which unconscripted farm laborers must work the farms of the families of conscripts.

C.

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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 on -, for month of March, 1940.

aa

For the original paper from which reference is taken

See # 134
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 8, 1940 From Hankow (Spiker).
To

File No. 893.00 P.R. Hankow/ 153.

733.94 / 15895

15895

1. Japan.

793.94
The Japanese Army continued to be on the defensive. Lieutenant General Okamura, Commander-in-Chief of the Japanese Army in the Middle Yangtze Valley, was replaced by Lieutenant General Sonobe.

Japanese troop movements increased. Arrivals were believed to represent primarily transfers and replacements and secondarily reinforcements. Japanese garrisons in towns to the west of the Peiping-Hankow railway are known to have been reinforced. Japanese operations were directed at breaking up Chinese concentrations close to their points of control.

Chinese regulars and guerrillas did not relax their harassing action in the Suhsien-Yingshan (隨縣-應山), Chungsiang (鍾祥), Yoyang (岳陽), Nanchang and Macheng (南昌麻城) sectors. None of these activities resulted in recapture of Japanese held positions, but did cause the Japanese losses in men and material.

Reports were received from diverse sources of Japanese intentions to launch a spring offensive. Shasi and Changsha were said by some to be the objectives of the proposed drive. The logical military

objective,

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

Political report
March 1940
Hankow, China

-4-

objective, however, would seem to be the Fifth War
Zone base in the Siangyang-Fancheng (襄陽樊城) area.
Convincing evidence of material preparations for the
offensive was, however, at the end of the month still
lacking.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Japanese Ambassador in Paris, Mr. Sawa
said they hoped to pacify China through
Wang Ching-wei and that if the U.S.
would cease to support China, he could
see the end of present war there

793.94/15895

For the original paper from which reference is taken

See Tel. #729 8 p m
(Despatch, telegram, instruction, letter, etc.)

Dated May 17 1940 From France (Bullitt)
To _____

File No. 756.94/102

U. S. GOVERNMENT PRINTING OFFICE 1-1540

bb

15895

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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 conflict.

Report concerning for month of March, 1940

793.94 / 15896

For the original paper from which reference is taken

See #3046
(Despatch, telegram, instruction, letter, etc.)

Dated April 10, 1940 From Shanghai (Butrick)
To _____

File No. 893.00 P.R. Shanghai/138

15896

b. Relations with other Countries.

79394
JAPAN. No military activities of note occurred during the course of the month. There were reported two derailments of a minor nature on the Shanghai-Hankow Railway, and Chungking sources claimed that those events were the result of guerrilla activities.

Mr. Lin Tai-sheng, Director of the Tang Kuomintang Department of Publicity, stated to foreign correspondents on March 19 that Japan had agreed to return to China the military control now exercised by the Japanese armed forces in occupied areas in China. The Japanese Army spokesman at Shanghai had stated a few days before that rumors that the Japanese forces planned to withdraw from China were entirely untrue; and he added that Japan possesses military supplies sufficient for two or three years and can if it wishes throw two or three million more men into the field.**

A HARTER report of March 19 from Tokyo quoted Japanese sources as indicating that General Nobuyuki Abe,

proposed

*CHINA PRESS March 20, 1940.

**Ibid., March 16, 1940.

-5-

proposed new Japanese envoy to the Wang regime, will be invested with full powers to adjust relations between the two countries on the basis of the agreement reached last December between Mr. Wang and the Japanese authorities in China, and after the inauguration of the new government to negotiate a treaty governing these relations."

There were many rumors abroad early in March alleging that the Japanese had kidnapped large numbers of Chinese in Shanghai for the performance of labor elsewhere, possibly in Japan. The Japanese naval spokesman denied on March 4 that there had been any such occurrences, stating that the reports were being disseminated by "certain individuals who have ulterior motives in wanting to prevent Chinese from entering Hongkew." A local pro-Chungking newspaper subsequently quoted Shanghai Municipal Police officials as confirming by implication that Koreans and Formosans in press gangs were continuing with the conscription of Chinese, allegedly for construction projects in the lower Yangtze region." The police authorities stated confidentially that they had in fact discovered a case of evident kidnapping of one man, but one only, and that they should not have been quoted. The Japanese reiterated their denials of the reports.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Dominating elements in Japan united in the desire to bring about an early settlement of the hostilities in China but they are radically separated with regard to the nature of the settlement and the means to bring it about.

mr

For the original paper from which reference is taken

See Tel. #400, noon
(Despatch, telegram, instruction, letter, etc.)

Dated June 3, 1940 From Japan (Grew)
To

File No. 740.0011 European War, 1939/3476 ^{Confidential File}

793.94 / 15897

Confidential File

15897

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict.

Letter from H. J. Bush, Public Health Surgeon reporting damage
done to laboratory by bombing.

793.94/15897

For the original paper from which reference is taken

See Letter

(Despatch, telegram, instruction, letter, etc.)

Dated May 11, 1940

From Federal Security Agency
To

File No. 893.12/179

N

U. S. GOVERNMENT PRINTING OFFICE 1-1540

15897

TELEGRAM RECEIVED

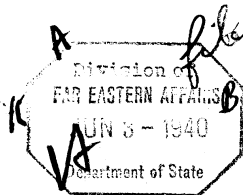
HSM
This telegram must be
closely paraphrased
before being communi-
cated to anyone. (Br.)

FROM Chungking via N. R.

Dated June 3, 1940

Rec'd 6:15 a. m.

Secretary of State,
Washington.



237, June 3, noon.

My 234, June 1, 9 a. m., and 236, June 2, 11 a. m.

773.94

An officer of the French Embassy at my residence yesterday stated that the Japanese Embassy in Shanghai had warned the French Embassy there that hereafter the vicinity of the French Consulate and of the French naval shore station would be very dangerous because of their nearness respectively to the commercial air field and an anti-aircraft battery. Informant stated no reference was made to the Embassy premises and he offered the suggestion that the Japanese possibly had the impression that the Embassy had been rendered uninhabitable by the bombing on the 28th. He stated that there was no intention of withdrawing from any of the three establishments mentioned.

Repeated to Peiping, Shanghai, Peiping. Air mail to Tokyo.

JOHNSON

CSB

735.94/15898

F/FG

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

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

TELEGRAM RECEIVED

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

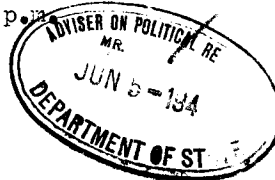
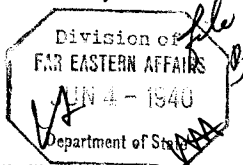
TOKYO

Dated June 3, 1940

FROM

Rec'd 12:40 p.m.

Secretary of State,
Washington.



401, June 3, 10 p.m.

STRICTLY CONFIDENTIAL. Hong Kong's 169, June 1,

10 a.m.

A telegram dated June 1 from the Commander in Chief
of the British Asiatic Fleet to my British colleague is
substantially as follows:

(a) On May 28th, ^{*Tongking gulf coast*} ~~(2)~~ ^{*French*} ~~king~~ from Hanoi to Fort ^{*ex*}
Bayard excluding Liuchau Peninsula thence to Hong Kong was
reconnoitered by two ~~air~~ ^{*French*} air force observers. No signs
of activity were perceived.

(b) Only two merchant vessels were seen by the
steamship TSINAN at Hoihow on May 29. She saw no war-
ships, ~~no~~ aircraft and no activity of any sort.

(c) The foregoing do not preclude concentration in
Sama so far as operations at Yanchow are concerned, it
is improbable that the stream of supply transports would
not have been seen. ^{*The trend of*} ~~transport~~ transport and warship movement
during past two weeks has been northerly from Hainan.
Canton up and down transports for May were 38 and 41 as
compared with 60 and 56 for the previous month.

CREW

HPD

793.94/15899

FILED

JUN 10 1940

F/FG

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A strictly confidential telegram of June 3, 1940, from the American Ambassador at Tokyo reads substantially as follows:

The British Ambassador in Tokyo has received from the Commander in Chief of the British Asiatic Fleet a telegram under date June 1 to the following effect:

No signs of activity were seen by two observers of the French air force who reconnoitered the coast of Tongking Gulf from Hanoi to Fort Bayard (with the exception of the Luochau Peninsula) and from there to Hong Kong on May 28. On May 29 at Hoihow, the S.S. Tainan observed no activity whatever, and no aircraft or warships. Two merchant vessels only were observed there. Although concentration in Samsa relating to the activities at Yanchow is not precluded by the above observations, it is not likely that the passage of supply transports would not have been noticed. During the month of May Canton up transports numbered 38 and down transports numbered 41 as compared with 60 up transports in April and 56 down transports. Since about May 19 the movement of warships and transports has been in a northerly direction from Hainan Island.

agc. Kek
 FE:EGC:MHP FE
 6/5/40

019

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 14, 1940

~~WAS~~
~~JWE~~
~~MMH~~

~~P/H~~

Reference Peiping's despatch no. 2610, April 19, 1940, entitled "British Estimates of the Extent to Which Japanese Armies of Occupation in North China Meet the Cost of Their Maintenance Out of Local Resources". The estimates were made by a British Consul at Tientsin and by the Commercial Secretary to the British Embassy at Peiping.

"According to the views of the British observers, the Japanese armies in North China, despite strenuous efforts, are not maintaining themselves out of North China resources. About 75 percent of Army food-supplies, some clothing and minor equipment are obtained locally and certain commodities bought cheaply for shipment to Japan are paid for in Federal Reserve Bank notes, but it is improbable that the Army has derived goods and services equivalent to the declared note issue of Lc\$400 million of that Bank, or that as much as 25 percent of the total cost of Army maintenance is met out of local resources."

If you have especial interest in the subject I suggest that you read enclosure No. 1 to Peiping's despatch, which consists of Tientsin's summary and comment on the

memoranda.

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

DEPARTMENT OF STATE
DIVISION OF FAR EASTERN AFFAIRS

-2-

memoranda. I do not think you need read
the memoranda themselves.

793.94/15891

FE:  :MHP

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

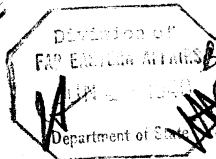


EMBASSY OF THE
UNITED STATES OF AMERICA

No. 2610

Peiping, April 19, 1940

Subject: British Estimates of the Extent to Which
Japanese Armies of Occupation in North
China Meet the Cost of Their Maintenance
Out of Local Resources.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

June 14, 1940

COPY IN PARAPHRASE
SENT TO TREASURY
IN CONFIDENCE June 14, 1940

1940 JUN 3 PM 4 03

DIVISION OF
COMMUNICATIONS
AND RECORDS

For Distribution-Check			
Grade	To	Yes	No
For	For		
	In U.S.A.		
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Treasury - In Confidence

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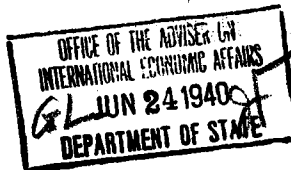
94
DIVISION OF
COMMERCIAL AFFAIRS
Department of State

JUN 18 1940

DIVISION OF

The Honorable

The Secretary of State,
Washington, D.C.



Sir:

I have the honor to transmit herewith, for the
Department's information, a copy of the Tientsin
1/ Consulate General's despatch no. 1030 of April 2, 1940,
to the Embassy, enclosing copies of two British memo-
randums in regard to the extent to which the Japanese
military forces in North China meet the cost of their
maintenance out of local resources.

Although it is quite impossible to obtain even
approximate figures showing the total cost to the
Japanese Government of maintaining in North China an
army

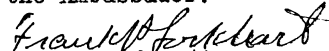
F/FG

- 2 -

army of between 250,000 to 350,000 men, the Embassy believes that Mr. Pelham's estimate that not more than one quarter of the total cost is recoverable locally in the form of certain military supplies and industrial profits is substantially correct. If, however, the Japanese are able to consolidate their position in this area under conditions approaching normality the invading forces will likely become more nearly self-supporting than they appear to be at present.

Respectfully yours,

For the Ambassador:


Frank P. Lockhart
Counselor of Embassy

Enclosure:

Tientsin's no. 1030,
April 2, 1940.

Original and 4 copies to Department.
Copy to Embassy, Chungking (enclosure sent direct).
Copy to Embassy, Tokyo (enclosure sent direct).
Copy to Consulate General, Tientsin (without enclosure).

710 Sino-Japanese/824 Japanese/800 Tientsin.
HES/jk

720
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. 1030

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

ENCLOSURE NO. 1
TO DESPATCH NO. 2610

AMERICAN CONSULATE GENERAL
Tientsin, China, April 2, 1940.

CONFIDENTIAL

SUBJECT: British Estimates of the Extent to Which the
Japanese Armies of Occupation in North China
Meet the Cost of Their Maintenance out of
Local Resources.

The Honorable

Nelson Trusler Johnson,
American Ambassador,
Peiping.

Sir:

I have the honor to enclose for the Embassy's
confidential information copies of memoranda dated
1,2/ February 23, and February 28, 1940 prepared respec-
tively by Mr. J. P. Coghill, British Consul at Tien-
tsin, and Mr. G. C. Felham, Commercial Secretary to
the British Embassy at Peking, for the British
Ambassador at Shanghai, discussing the extent to
which it would appear that the Japanese armies of
occupation in North China are meeting the cost of
their maintenance out of local resources.

SUMMARY. According to the views of the British
observers, the Japanese armies in North China, despite
strenuous efforts, are not maintaining themselves out
of North China resources. About 75% of Army food-
supplies, some clothing and minor equipment are ob-
tained locally and certain commodities bought cheaply
for shipment to Japan are paid for in Federal Reserve
Bank notes, but it is improbable that the Army has
derived goods and services equivalent to the declared
note issue of L\$400 million of that Bank, or that
as much as 25% of the total cost of Army maintenance
is met out of local resources.

In

-2-

In the view of the Commercial Secretary of the British Embassy at Peking, although it is impossible to obtain even approximate figures of expenditures and revenues of the Japanese North China Army, it is doing its utmost to maintain itself out of local resources, but has not succeeded. Arms, munitions, equipment, airplanes and other war materials all have to be imported from Japan which also has to provide for sea transport, maintenance of troop training centers, replacement and care of casualties, pay and allowances for dependents in Japan, and other items.

(The Japanese Armies controlling North China and Inner Mongolia are estimated at from 250,000 to 350,000 men; Japanese civilian population in North China, at 290,000 people).

Motor transport equipment and fuel are largely provided from Japan (supplemented by local purchases), but the Army probably receives free rail transportation and is thought to share in net railway profits, if any, but Japan and Manchuria have to provide materials and rolling stock for new strategic railways, double-tracking and feeder lines, in addition to heavy maintenance charges due to damage done by Chinese mobile units.

Early in the North China campaign, all food supplies, clothing and bedding had to be provided from Japan, but at the present time, in the opinion of the British observer, some 75% of Army food requirements are derived from North China sources, together with some bedding, clothing, cigarettes and other materials

made

-3-

made in small Chinese industrial units "taken over" and operated by the Japanese military, especially in Shansi Province.

Japanese troops in North China are paid in Federal Reserve Bank notes, but allowances for dependents in Japan have to be paid in Yen. Generally, no payment is made for troop accommodations in this region, but barracks constructed of imported materials have been built in a number of places.

Small net profits from salt, coal and iron, and revenues from local Japanese business concerns may have been converted to Japanese military use. Various raw materials such as cotton, wool, hides and skins may have been bought by the Army at low prices in Federal Reserve Bank notes and transported to Japan. For Kailan coal, the Japanese have had to pay (to some extent) in Sterling; other coal and iron mines under Japanese control have needed imported machinery involving foreign exchange. Rail transportation facilities are inadequate and costs are high.

The maximum amount which the Japanese can have derived from North China is the total present declared circulation of the Federal Reserve Bank, Lo\$400 million, but that is improbable due to:

1. the exchange of FRBank notes for Bank of Hopei and Bank of East Hopei notes.
2. the bullion and foreign currency reserves of the FRBank.
3. the withdrawal of Yen from North China replaced by FRBank notes.

If

-4-

If the Federal Reserve Bank notes are considered worthless, then the Japanese may be considered to have acquired for nothing, since March 1938, goods and services valued at about Lc\$400 million, or about US\$40 million. The prices for commodities bought with Federal Reserve Bank dollars have risen steadily.

There is no information available indicating that there has been any special printing of notes exclusively for Japanese Army use, in duplication of the Federal Reserve Bank note issue or that an extra issue has been secretly emitted, but it is generally believed that Federal Reserve Bank notes have been made available to the Army on requisition, and that a large portion of the Bank's reserves are in Army warrants.

Although the Federal Reserve Bank retains 10% of the exchange from exports, nominally to be used for remittances, any surplus over expenses is probably being used for currency reserves; but even if the amount so derived accrued exclusively to the Army, it would represent but a small portion of the total cost of occupation.

For political reasons, Customs revenues collected in Federal Reserve Bank notes are probably kept intact in the Yokohama Specie Bank, and the Army is thought to benefit only indirectly from revenues collected by the "Provisional Government at Peking".

It seems unlikely that as much as 25% of the total cost of occupying North China is actually derived

by

-5-

by the Japanese Army from this area.

Mr. J. P. Coghill in his memorandum points out:

- (1) Many tax levies can only be made at the expense of Japanese industrial enterprises; export taxes on coal, salt, and iron would merely raise prices; abnormally low prices for cotton, wool and other commodities tend to drive such goods into hiding or out of Japanese reach; taxes from local Japanese firms are probably small.
- (2) Seizures of real estate by the Japanese military although frequent would have to be on a huge scale to go far in defraying a large-scale military campaign and the beneficiary of such seizures in some cases may be the officer responsible rather than the Army.
- (3) Because of a shortage of capital, new forms of exploitation in North China will have to avoid large capital investments, such as the export of industrial salt, and will probably be restricted to small enterprises.
- (4) Despite the poverty of the population, lack of control over the interior, and lack of capital, the Japanese Army is making profits in North China in numerous ways, which may, perhaps, "be of the order of magnitude of the day to day expenses of the Japanese forces in North China, but which bear no relation to the total cost of hostilities, including loss of industrial output, markets, cost of pensions and other items."
- (5) Such income as can be raised in North China does not represent so much saved from Japan's war budget but is merely an indication that the latter is insufficient to provide for all war expenditure.

Respectfully yours,

J. K. Caldwell,
American Consul General.

Enclosures:

-6-

Enclosures:

- 1/ Copy of Memorandum dated Feb. 23, 1940 prepared by Mr. J. P. Coghill, British Consul at Tientsin.
- 2/ Copy of Memorandum dated Feb. 28, 1940 prepared by Mr. G. C. Pelham, Commercial Secretary to British Embassy at Peking.

800
FWH:HK

Original and five copies to Embassy, Peiping.
Copy to Embassy, Chungking.
Copy to Embassy, Tokyo.
Copy to Consulate General, Shanghai.

A true copy of
the signature
not
SK

720
DECLASSIFIED: E.O. 11652, 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. 1030, Apr. 2, 1940, from the American Consulate General, Tientsin, China, on subject of "British Estimates of the Extent to Which the Japanese Armies of Occupation in North China Meet the Cost of Their Maintenance out of Local Resources".

COPY

February 23, 1940.

MEMORANDUM

In discussions regarding the ability of the Japanese military forces to recoup their expenditure in North China it seems important to bear in mind that many levies can only be made at the expense of Japanese industrial enterprises, so that no real gain accrues to Japan. It is clear, for instance, that an export levy on coal, iron or salt shipped to Japan would merely raise the price of articles which are required at the cheapest rate, while a forced contribution from the (at present) struggling Japanese industrial concerns in North China would of necessity have to be very modest. As for the purchase of cotton and wool at "rock-bottom" prices, it is in fact known that both are the subject of a military monopoly, and that the price of cotton was fixed in October 1938 at \$40.00 a picul. The result is equally well-known; the cotton vanished into hiding places or into its owners' garments, and much of the wool was marketed in places outside Japanese military control.

2. As regards the forcible seizure of real estate, there is no doubt that this is of frequent occurrence and that a foreigner may be lucky to get a proportion of the value as compensation and a Chinese lucky to get anything. Part of the Ex-Russian Concession at Tientsin might be quoted

as

-2-

as an example. It is, however, clear that such seizures would have to be on a tremendous scale if they are to go far to offset the expense of a large-scale military campaign. One may in fact suspect that the beneficiary is often the officer responsible for seizing the property.

3. The view implied above that North China is not proving an El Dorado for the Japanese is borne out in other ways. Industrial development seems to be limited to quite small scale enterprises and no large-scale capitalisation seems to be conceivable at the present time. This of course limits the profits which may be taken out of North China. In my despatch to the Commercial Counsellor No. 1 of January 29th I reported that the construction of a railway to transport coal from the Tatung mines was likely to prove difficult for financial reasons, and it seems in fact to be the case that any new form of exploitation must be such as can be effected without capitalisation on a considerable scale. The export of industrial salt is an example.

4. When all deductions have been made the fact remains that the Japanese Army is making profits in numerous ways in face of such obstacles as the poverty of the population, the lack of control over the country-side and (as mentioned above) the lack of Japanese capital. I agree that profits are being made in all the various ways listed by Mr Lamb, except that I have no information about the use by the Army of the printing press, and I would add that, as regards the cigarette factory operated by the Japanese Army at Taiyuan, a large proportion of the output is
consumed

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

-3-

consumed by the troops. I have no doubt that rail transportation is unpaid for. All these sources of income may perhaps be of the order of magnitude of the day to day expenses of the Japanese forces in North China. They can, however, of course bear no relation to the cost of hostilities including as this does such items as loss of industrial output owing to the great number of men with the colours, loss of earnings from shipping, loss of markets, payment of pensions etc. Such income as can be raised by the Japanese forces in North China does not represent so much saved from Japan's war budget but is merely an indication that the latter is insufficient to provide for all war expenditure.

Copied by:

HK

121
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

Enclosure No. 2 to Despatch No.
1030, April 2, 1940, from American
Consulate General, Tientsin, China,
on subject of "British Estimates of
the Extent to Which the Japanese
Armies of Occupation in North China
Meet the Cost of Their Maintenance
out of Local Resources".

COPY

February 28, 1940.

MEMORANDUM

The reference is to Peking despatch to His Majesty's
Ambassador at Shanghai No. 21 of 19th January. This con-
tained an appreciation of the extent to which it would
appear that the Japanese armies of occupation in North
China are meeting the cost of their maintenance out of
local resources.

2. After careful enquiry from numerous sources, Chinese,
British and foreign I find that it is quite impossible to
obtain even approximate figures of Japanese military ex-
penditure and revenue in North China. It is doubtful
whether the Japanese themselves have any very clear idea
of a balance sheet in this respect. It is certain however
that the Japanese Army of Occupation in North China have
set themselves the task of doing their utmost to maintain
themselves out of the resources of North China. It is
believed that they are meeting with unforeseen difficulties
and have not nearly achieved this aim. It has been
estimated that there are at least 250,000 Japanese troops
in North China. Intelligent Chinese observers consider
that for China north of the Lunghai Railway and Mongolia
the figure is nearer 350,000. The Japanese have themselves
published

-2-

published a statement showing that at the end of 1939 there were about 290,000 civilian Japanese in North China comprised of 75,000 families.

3. An estimate of the cost of maintaining in North China an army of occupation of the size indicated can best be assessed by our military experts. It must include the provision of arms, ammunition and equipment, transport, aeroplanes, fuel, clothing, bedding, food, pay and allowances. Consideration must be given to the cost of replacement of all but the last item and to the extra expense involved in the replacement of casualties and the care of the latter. Sea transport and the maintenance of draft training centres are additional items which may perhaps legitimately be included.

4. With the exception of a portion of the items of transport, clothing, bedding, food and pay, all must be provided by importation from Japan (possibly to some small extent from Manchuria).

5. Railway transport in North China is no doubt free to the Japanese army. The Peking-Mukden Railway is known to be making profits and it is possible that some profit is derived from some of the other railways. Against this, however, there is the need for the provision of an increased quantity of rolling stock from Japan, and the building of double tracks, strategic lines and feed lines. It is not known what is done with the net profits of the railways but it is possible that they and any other profits which may be derived from companies subsidiary to the North China Development Company will go into a common pool and

will

-3-

will be disposed of in accordance with the ideas of the China Affairs Board of the Japanese Government. These funds are collected in F.R.B. currency and deposited with the Yokohama Specie Bank. It must, I think, be assumed that at least half of any such profits will in accordance with arrangements made regarding share capital accrue directly to Japan or her organizations in China and, such as they are, they may be considered as offsetting the cost of military occupation. From the profits which are supposed to go to the Provisional Government benefit must be indirectly derived by the Japanese occupying forces inasmuch as they direct the provision of public works of strategic importance.

6. Road transport for the army is provided from Japan and petrol must be imported. There would appear to be no direct offset to this. It is believed that the major portion of the clothing and bedding for the troops is provided from Japan, but some replacement is made from local resources. Particularly in Shansi the Army have taken over small units of industry from which they are obtaining either goods or profits. It is understood that during the first part of the hostilities all the food for the troops was imported from Japan but that considerable modification has since taken place.

7. The provisioning from the North China occupied area of possibly up to 75 per cent of the foodstuffs required for an army of some 350,000 men plus the provisioning of 290,000 Japanese civilians is, no doubt, one serious

factor

-4-

factor causing the soaring of the cost of living in this area. It may well be assumed that army requisitioning is done at rock bottom, if not sometimes at under cost prices, while through 'rackets' and privileges many of the Japanese civilians buy at advantageous prices. Merchants are naturally determined to get their replacement costs plus profits and it is ultimately the masses who have to pay or starve. The vicious circle closing in to famine conditions is completed by the fear set up amongst the merchants that if they import foodstuffs at the present high cost these are liable to be commandeered at arbitrary prices.

8. The Japanese troops receive some pay in F.R.B. notes, but there is presumably some payment in Yen to relatives and dependents in Japan. It is understood that in many localities no payment is made for the accommodation for the troops, but in a number of places materials have been imported and buildings erected.

9. In general I think it may be assumed that food supplies directly obtained by the Japanese troops from North China must form a large percentage of the total of such supplies but that this is only a small percentage of the total cost of maintenance. The large balance is in the supply of war equipment and army stores from Japan.

10. The next question to be examined is, whether the army together with the Japanese civilian population are able by exploitation, forcible or otherwise, to produce profits out of North China which will offset that portion

of

-5-

of the cost of maintenance of the army which must be met in Japan.

11. It has been said that Customs funds have been converted towards this purpose, but there is no evidence of this and the Tientsin Commissioner of Customs has stated that the Customs funds are kept intact. These funds are deposited with the Yokohama Specie Bank and it is of course possible that loans may be made to the army, but it is rather doubtful whether for political reasons Japan will allow this fund to be raided. It is possible that some small net profit from the railways, and royalties and profits from salt, coal and iron may be devoted to this purpose, and that some North China produce, particularly cotton, has been bought up by the Japanese army at low prices and transported to Japan. It is known that Japanese business concerns are obliged to pay some taxation to gendarme or consular police collectors.

12. With regard to coal, iron, cotton, wool, hides and skins and other commodities there are various difficulties which make it improbable that large net gains are made. Apart from supplies obtained from the Kailan Mining Administration, for which the Japanese have to pay a considerable proportion of sterling, other coal and iron mines under the control of the Japanese require the importation of machinery involving the use of foreign exchange, and transportation costs are high. The principal produce bearing areas are not under Japanese control and the Chinese do their best to prevent export
produce

-6-

produce getting into Japanese hands. The raising of cash crops has been considerably reduced in favour of foodstuffs and reports are received that there is no great distress or shortage of food in areas outside the Japanese control which have escaped the floods.

13. It may therefore be taken that (a) a considerable portion of the Japanese army's food supplies and some clothing and minor equipment are bought locally, and (b) that certain commodities are bought by official or semi-official Japanese organisations in North China and shipped to Japan, and (c) that payment is made in F.R.B. notes.

14. The problem is: how much value have the Japanese put into these notes?

15. If we can take it that the notes are worthless and merely forced by the army on to sellers for their goods then we must consider that the present declared circulation of \$400,000,000 has initially been exchanged for goods and services, the F.R.B. price of which has steadily increased. If we can arbitrarily put the average real equivalent of the F.R.B. dollar for goods purchased at, say, 6d, then £10,000,000 worth of goods may be said to have been obtained since March 1938 for worthless paper, or, in other words, that the Japanese have obtained that value of goods for nothing. It is, however, by no means certain that the Japanese army have obtained goods to the total value of the F.R.B. issue because (a) a considerable portion of these notes were exchanged for Bank of Hopei notes, (b) the Federal Reserve Bank claims to have bullion

and

-7-

and foreign currency reserves, and (c) Yen have been withdrawn from North China and replaced by F.R.B. notes.

16. On the declared issue of \$400,000,000 therefore it seems improbable that the army will have gained anything approaching the value of £10,000,000. In this problem, however, there is uncertainty in every factor. We do not know whether the declared issue of F.R.B. has any relation to fact and, if there is any extra issue, it will be the closely guarded secret of the Bank and the Finance Department of the High Command.

17. The Federal Reserve Bank retains, in connection with import-export link transactions, 10 per cent of the export exchange. This 10 per cent is supposed to be used for remittances, but even if it accrued to the Japanese authorities it could be but a very small percentage of the cost of occupation. It is more probable, however, that any surplus over expenses et cetera is going towards currency reserves.

18. There is one extra item which may perhaps be considered profit to Japan, and that is the maintenance of the large Japanese civilian population of North China amounting to about 290,000. All of these, no doubt, derive the major portion of their income from North China instead of, as the majority did formerly, from Japan. This is of course at the expense of North China. Since the commencement of hostilities the real income of the total populace must have greatly decreased.

19. It is believed that the various 'squeeze' and 'rackets' in which the military have interest do not in
the

-8-

the main produce revenue for the maintenance of the army of occupation, but that they afford extra 'perks' for the lower ranks in some cases, and considerable fortunes for some of those in higher places, both Japanese and Chinese. Most of these 'rackets' are not conducted directly by the military but only with their connivance. The effect of them, however, is further to increase the cost of living in this area and to intensify economic deterioration.

20. There is no knowledge of any special printing of notes for the military, in the way of duplication of other notes et cetera. It is generally considered that Federal Reserve notes have been made available to the military against requisition and it is possible that a large portion of that Bank's reserve is in such requisition documents.

21. It is doubted if much of the Provisional Government's revenue finds its way into army funds. It is more likely to be used for such local development, buildings, roads, et cetera as are indicated as desired by the military. The revenue is not large as the areas which can be successfully taxed are comparatively small. Administrative expenses, involving the payment of large numbers of Japanese extras in the shape of advisers and joint officials must be very high.

22. In view of the above and the lack of precise information it takes courage to give a percentage estimate of the extent to which the army of occupation meets the total cost of maintenance out of the resources of North China, but I would venture the suggestion that, up to now, it is unlikely to be as much as 25 per cent.

23.

-9-

23. In view of the steady deterioration in the economy of North China the prospects for an improvement on this appear rather dim. A number of Chinese of the intelligent classes have stated that they are prepared to put up with the hardship of food shortage and even starvation because, they state with enthusiasm, these very conditions indicate the inability of the Japanese to carry out their plans of exploitation. Nevertheless, the general view is that, wherever else they may withdraw, the Japanese will hold on to North China in the hope of gradual pacification and exploitation sufficient to pay for the venture.

G.C. PELHAM.

Copied by:

HK

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

cc
WFB
JWB
DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 7, 1940

Tokyo's despatch 4682, May 2, 1940,
"French Representations Concerning Bombard-
ment of Yunnanfu Railway and Violation of
Indo-Chinese Frontier".

The Embassy transmits a note from the
French Ambassador to the Japanese Minister
for Foreign Affairs, dated April 30, 1940,
which protests against:

(1) Flights of groups of Japanese air-
planes over the territory of Tonkin on
April 25 and 26.

(2) Bombardment of the Yunnanfu Railway
on the latter date by these Japanese planes.

The French Ambassador asserts that these
territorial violations by Japanese aviators
are not due to inadvertence.

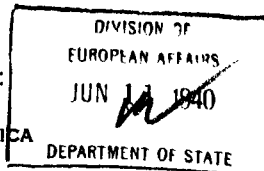
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 12-18-75



THE FOREIGN SERVICE
DEPARTMENT OF STATE
UNITED STATES OF AMERICA
1940 JUN 3 PM 3 52



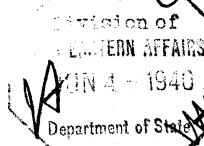
DIVISION OF
COMMUNICATIONS
AND RECORDS

AMERICAN EMBASSY
Tokyo, May 2, 1940.

No. 4682.

SUBJECT: FRENCH REPRESENTATIONS CONCERNING BOMBARDMENT
OF YUNNANFU RAILWAY AND VIOLATION OF INDO-CHINESE
FRONTIER.

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



793.94

Copy in FE

Author	Check	No
To		
In U.S.		

M.I.D. via O.N.I. one copy

The Honorable

The Secretary of State,
Washington.

Sir:

With reference to our despatch no. 4677 dated
April 26, 1940, and to previous correspondence regard-
ing the bombardment of the Yunnan Railway and violation
of the French Indo-China frontier by Japanese planes, I
1/2 have the honor to transmit herewith, for the Department's
information, a copy and a translation of a note from the
French Ambassador to the Minister for Foreign Affairs
under date of April 30, 1940, protesting against further
violations

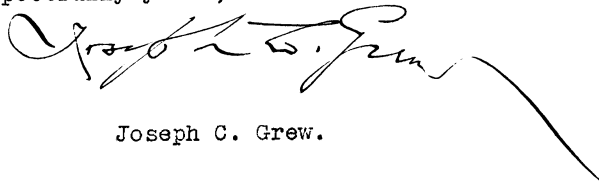
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F/FG

-2-

violations of French territory and an additional bombardment of the railroad referred to.

Respectfully yours,



350
SEG:C

Joseph C. Grew.

Enclosure:
As stated.

Copy to Embassy, Peiping;
" " " Chungking;
" " Consulate General, Shanghai;
" " " Hanoi.

Enclosure no. 1 to despatch
no. 4682 dated May 2, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy).

The French Ambassador, Mr. Arsène-Henry, to the Minister
for Foreign Affairs, Mr. Arita.

30 avril 40

No. 21

Monsieur le Ministre,

Pour faire suite aux nombreuses démarches que j'ai
déjà faites auprès de Votre Excellence, j'ai l'honneur
de Vous signaler de nouveaux cas de violation des droits
et intérêts français par l'aviation japonaise.

1. - Le 25 avril entre dix heures et demie et onze
heures du matin et entre une et deux heures de l'après-midi
plusieurs groupes d'avions japonais ont survolé le territoire
du Tonkin. Ils ont été signalés au dessus des localités
suivantes dont plusieurs ont été survolées à plusieurs
reprises: Chan Pong, Dong Van, Quan Ba, Yên Minh, Pho
Bang, Soc Giang, Tra Ling et Khan Phu.

2. - le 26 avril à dix heures et demi du matin des
groupes d'avions japonais ont survolé le territoire du
Tonkin et ont été signalés au dessus des localités suivantes:
Lao Tchai, Xin Man, Man Mei, Hoang Tchou Phi, Ha Giang,
Thanh Thuy, Dinh Lap, Tra Linh, Soc Giang, Langson, Loc
Binh et Dam Ha.

3. - Les avions qui ont survolé le Tonkin dans la
matinée du 26 avril ont bombardé la voie ferrée de Yunnan-fou.

Son Excellence

Monsieur Hachiro Arita

Ministre des Affaires Etrangères

etc., etc., etc.

-2-

Je suis chargé par le Gouvernement de la République de protester contre ces continuelles violations de notre territoire et de nos droits. Il est en effet impossible de prétendre que c'est par inadvertance que les aviateurs japonais passent journellement notre frontière en groupes nombreux. Quant au dernier bombardement du chemin de fer il s'ajoute à la liste déjà beaucoup trop longue des attentats de cette nature au sujet desquels j'ai déjà fait les protestations et les réserves que je renouvelle aujourd'hui./.

Veuillez agréer, Monsieur le Ministre, les assurances de ma très haute considération.

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

Enclosure no. 2 to despatch
no. 4682 dated May 2, 1940,
from the Embassy at Tokyo.

Translation by the American Embassy in Tokyo of a note
in French sent by the French Ambassador, Mr. Arsène-Henry,
to the Minister for Foreign Affairs, Mr. Arita, April 30,
1940.

30 april 1940.

No. 21.

Mr. Minister:

With reference to the numerous representations which
I have already made to Your Excellency, I have the honor
to point out to you new cases of violation of French rights
and interests by Japanese aviation.

1. On the 25th of April between 10:30 o'clock and
11 o'clock in the morning and between one and two o'clock
in the afternoon several groups of Japanese airplanes flew
over the territory of Tonkin. They were seen flying above
the following places, several of which they flew over several
times: Chan Pong, Dong Van, Quan Ba, Yên Minh, Pho Bang,
Soc Giang, Tra Ling and Khan Phu.

2. On the 26th of April at 10:30 in the morning, groups
of Japanese planes flew over Tonkinese territory and were
observed over the following places: Lao Tchai, Xin Man,
Khan Mei, Hoang Tchou Phi, Ha Giang, Thanh Thuy, Dinh Lap, Tra
Linh, Soc Giang.

3. The planes which flew over Tonkin on the morning
of April 26 bombarded the Yunnanfu Railway.

I am instructed by the Government of the Republic to
protest against these continual violations of our territory

and

His Excellency
Mr. Hachiro Arita,
Minister for Foreign Affairs,
etc. etc. etc.

DECLASSIFIED: E.O. 11652, 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-

and of our rights. It is indeed impossible to assert that it is through inadvertence that the Japanese aviators are crossing our frontier daily in numerous groups. As for the last bombardment of the railroad it is added to the already much too long list of attacks of this nature regarding which I have already made protests and reservations which I renew today.

Accept, Mr. Minister, the assurances of my high consideration.

122

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

cc
GA
WHA
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MWH
PAH

ADVISED ON POL/TC
MR.
JUN 22 1940
DEPT. OF STATE
DEPT. OF STATE

DEPARTMENT OF STATE
DIVISION OF FAR EASTERN AFFAIRS
June 7, 1940

Tokyo's despatch 4705, May 14, 1940,
"French Representations Concerning Bombard-
ment of Yunnanfu Railway and Violation of
Indo-Chinese Frontier".

The Embassy transmits copies of three
additional notes from the French Ambassador
to the Japanese Minister for Foreign Affairs,
as follows:

- (1) May 3, 1940 - Protests against (a)
flight of eighteen Japanese planes
over Tonkinese territory on April 30
and bombardment by these planes of
Yunnan railway. The French Ambassador
indicates that this "may occasion
the fear that we have to deal with a
methodical action aiming at causing
a recurrence of the previous dif-
ficulties".
- (2) May 6, 1940 - Informs Japanese
authorities that the Governor-
General of Indochina has installed
conspicuous marking arrangements on
the Tonkinese frontier; describes
the markings, and informs Japan that
these and similar markings to be
made immediately will make misunder-
standing impossible, "even for un-
skilled aviators".
- (3) May 7, 1940 - Presents a claim for
compensation

DECLASSIFIED: E.O. 11652, 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-

compensation, amounting to \$175,030
(Indochinese currency - piastres) for
French and colonial citizens killed
or wounded in Japanese bombardment
of Yunnan Railway, February 1, 1940.

793.94/15893

LBW
FE:White:MHP

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 FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA



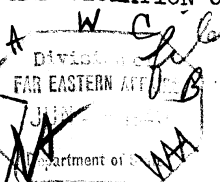
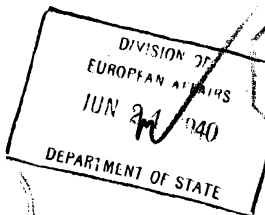
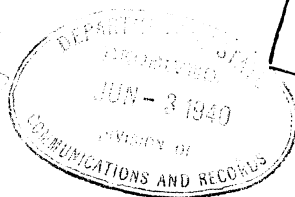
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AMERICAN EMBASSY

Tokyo, May 14, 1940.

No. 4705.

SUBJECT: FRENCH REPRESENTATIONS CONCERNING BOMBARDMENT
OF YUNNANFU RAILWAY AND VIOLATION OF INDO-CHINESE
FRONTIER.



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

June 21 283

ON	Yes	No
U.S.A.		

Copy in FE

MID via ONI one copy

The Honorable
The Secretary of State,
Washington.

Sir:

With reference to our despatch no. 4682 dated May 2,
1940, and to previous despatches regarding the violation
of the French Indo-Chinese frontier and bombardments of
the Yunnan Railway by Japanese airplanes, I have the honor
to transmit herewith, for the Department's additional in-
formation, copies of notes from the French Ambassador to
the Japanese Minister for Foreign Affairs under date of

May 3

793.94/15902

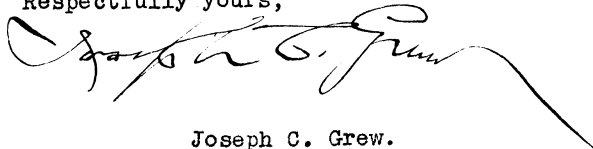
F/FG

152/20

-2-

May 3, May 6 and May 7, 1940, respectively, protesting against further Japanese actions of this nature; informing the Japanese authorities of the placing of conspicuous frontier markers with a view to making mistakes in relation to Japanese violations of French territory impossible in the future; and presenting a statement of claims for compensation for French and colonial citizens killed or wounded as a result of Japanese bombardment of the Yunnan Railway on February 1, 1940. English translations of the foregoing notes 4-6 are also enclosed herewith.

Respectfully yours,



SEG:C
350

Joseph C. Grew.

Enclosures:

- 1/ French Ambassador to Japanese Foreign Office, May 3, 1940;
- 2/ Translation of note of May 3, 1940;
- 3/ French Ambassador to Japanese Foreign Office, May 6, 1940;
- 4/ Translation of note of May 6, 1940;
- 5/ French Ambassador to Japanese Foreign Office, May 7, 1940;
- 6/ Translation of note of May 7, 1940.

Copy to Embassy, Peiping;
" " " Chungking;
" " Consulate General, Shanghai;
" " " Hanoi.

Original and 2 copies to Department.

Enclosure no. 1 to despatch
no. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy).

The French Ambassador, Mr. Arsène-Henry, to the Japanese
Minister for Foreign Affairs, Mr. Arita, May 3, 1940.

3 mai 1940

No. 23

Monsieur le Ministre,

D'ordre du Gouvernement de la République, j'ai l'honneur
de protester auprès de Votre Excellence contre un nouveau
bombardement du Chemin de fer du Yunnan. Le 30 avril dernier
18 avions japonais ont en effet lancé des projectiles sur
cette voie ferrée au kilomètre no. 74.

Ces avions ont survolé le territoire du Tonkin entre
onze heures du matin et midi et demie. Ils ont été signalés
à leur passage au dessus des postes de: Quan-Ba, Pho-Bang,
Bao-Lac, Nguyen-Binh, Trung-Khan-Phu, Tra-Linh, Cao-Bang,
That-Khê, Na-Cham, Dong-Dang, Langson et Chi-Ma.

Cette nouvelle violation de nos droits et intérêts
venant si rapidement après celle du 25, que j'ai déjà eu
l'honneur de signaler à Votre Excellence, peut faire craindre
qu'il ne s'agisse d'une action méthodique visant à faire
renaître les difficultés antérieures. Ce serait là une
entreprise d'autant plus déplorable que la bonne volonté
manifestée de part et d'autre ces dernières semaines commençait
à produire des effets heureux pour tous./.

Veuillez agréer, Monsieur le Ministre, les assurances
de ma très haute considération.

Charles Arsène-Henry.

Son Excellence
Monsieur Hachiro Arita,
Ministre des Affaires Etrangères
etc., etc., etc.,
Tokyo

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

Enclosure no. 2 to despatch
no. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

Translation by the Embassy at Tokyo of a note in
French sent by the French Ambassador, Mr. Charles
Arsène-Henry to the Minister for Foreign Affairs,
Mr. Arita, May 3, 1940.

No. 23

May 3, 1940.

Mr. Minister:

Under orders from the Government of the Republic,
I have the honor to protest to Your Excellency against
a new bombardment of the Yunnan Railway. On April 30th
last, eighteen Japanese planes dropped projectiles on this
railway at Kilometer 74.

These planes flew over Tonkinese territory between
11 o'clock and 12.30. They were observed in their flight
above the posts of: Quan-Ba, Pho-Bang, Bao-Lac, Nguyen-Binh,
Trung-Khan-Phu, Tra-Linh, Cao-Bang, That-Khê, Na-Cham,
Dông-Dang, Langson and Chi-Ma.

This new violation of our rights and interests coming
so rapidly after that of the 25th, of which I have already
had the honor of notifying Your Excellency, may occasion
the fear that we have to deal with a methodical action
aiming at causing a recurrence of the previous difficulties.
That would be the more deplorable an enterprise, as the
good will manifested on both sides during these last weeks
was beginning to produce happy results for everyone.

Accept, Mr. Minister, the assurances of my very high
consideration.

Charles Arsène-Henry.

His Excellency
Mr. Hachiro Arita,
Minister for Foreign Affairs,
etc., etc., etc.,
Tokyo.

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

Enclosure no. 3 to despatch
no. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy).

The French Ambassador, Mr. Charles Arsène-Henry, to the
Minister for Foreign Affairs, Mr. Hachiro Arita, May 6, 1940.

6 mai 40

No. 25

Monsieur le Ministre,

Les violations répétées de la frontière indochinoise
par des avions militaires japonais, contre lesquelles j'ai
protesté à maintes reprises auprès du Gouvernement Impérial
ont amené le Gouverneur Général p.i. de l'Indochine à faire
installer à la frontière du Tonkin des dispositifs de signalisa-
tion très apparents.

C'est ainsi qu'aux passages de la frontière par la route
de Caobang, Tsing-tsi, à la borne 72, une bande de chaux d'une
largeur de 10 mètres traverse cette route. De même un grand
pavillon français a été posé horizontalement en territoire
tonkinois dans un champ voisin. Un pont qui se trouve près
de la frontière est signalé de la même façon. En me donnant
ces renseignements, le Général Catroux ajoute qu'une signalisa-
tion analogue va être étendue incessamment à toute la province.

De cette façon, la trace de la frontière sino-indo-chinoise
va se trouver nettement délimitée et ne saurait fournir aucune
chance d'erreur.

J'ai l'honneur de demander à Votre Excellence de vouloir
bien faire part des dispositions qui précèdent aux autorités
militaires en appelant leur attention sur le fait que la
signalisation de la frontière se trouvant aussi nettement
et clairement établie, aucune méprise n'est possible, même
à des aviateurs peu expérimentés./.

Veuillez agréer, etc....

signé: Charles Arsène-Henry.

Son Excellence
Monsieur Hachiro Arita,
Ministre des Affaires Etrangères, etc., etc., Tokyo.

DECLASSIFIED: E.O. 11652, 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. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

Translation by the Embassy at Tokyo of a note in
French sent by the French Ambassador, Mr. Arsène-Henry,
to the Minister for Foreign Affairs, Mr. Arita, May 6,
1940.

No. 25

May 6, 1940.

Mr. Minister:

The repeated violations of the Indo-Chinese frontier
by Japanese military planes, against which I have on fre-
quent occasions protested to the Imperial Government,
have caused the acting Governor-General of Indo-China to
install on the frontier of Tonkin very conspicuous marking
arrangements.

Accordingly, at the frontier point on the route from
Caobang, Tsing-tsi, at frontier marker no. 72, a band of
whitewash ten meters wide crosses this route. Likewise a
large French flag has been placed horizontally in Tonkinese
territory in a nearby field. A bridge near the frontier is
marked in the same fashion. In giving me this information,
General Catroux adds that similar markings will be immediate-
ly extended to the whole province.

In this manner the delineation of the Sino-Indo Chinese
frontier will be clearly marked and can occasion no possi-
bility of error.

I have the honor to request Your Excellency to be good
enough to apprise the military authorities of the foregoing,
calling their attention to the fact that the marking of the
frontier being thus clearly and distinctly established, no
misunderstanding is possible, even for unskilled aviators.

Accept, Mr. Minister, etc., etc.,

Signed: Charles Arsène-Henry.

His Excellency
Mr. Hachiro Arita,
Minister for Foreign Affairs,
etc., etc., etc.,
Tokyo.

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

Enclosure no. 5 to despatch
no. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

(With the compliments of the French Embassy to the
American Embassy).

The French Ambassador, Mr. Arsène-Henry, to the Vice
Minister for Foreign Affairs, Mr. Tani, May 7, 1940.

7 mai 40

Mon cher Vice-Ministre,

Dans l'entretien que vous avez bien voulu m'accorder
le 5 février, vous m'avez fait connaître que le Gouvernement
Impérial acceptait le principe d'allouer des indemnités aux
victimes françaises et indochinoises du bombardement par
l'aviation militaire japonaise d'un train de voyageurs le 1er
février au kilomètre 83 de la ligne du Yunnan.

Le Gouverneur Général p.i. de l'Indochine à qui je
n'avais pas manqué de communiquer cette décision, vient de
me transmettre l'état de réclamations ci-joint s'élevant
à la somme globale de 175.030 Piastres indochinoises se
décomposant ainsi:

Victimes françaises au nombre de 5.....120.000 piastres
Victimes indochinoises (19 tués - 27 blessés) 55.030 piastres

La notice également ci-annexée donne toutes précisions
sur les diverses bases qui ont été adoptées pour la fixation
du taux de ces indemnités, compte tenu de la situation sociale
des victimes, Les renseignements mentionnés sur l'état ne
concernent que les victimes qui ont pu être identifiées de
façon certaine. C'est d'ailleurs parce que les recherches
du Gouvernement de l'Indochine ont été faites de la façon la
plus complète possible que je ne suis à même qu'aujourd'hui
de vous transmettre ce document.

Je

Monsieur M. Tani
Vice-Ministre des Affaires Etrangères
Tokyo

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 13-18-75

-2-

Je le recommande à votre examen, comme vous avez suivi
personnellement cette affaire et je vous serais reconnaissant
de bien vouloir faire hâter la répartition des indemnités
parmi les familles des victimes qui en ont un urgent besoin./.

Veuillez agréer, etc...

signé: Charles Arsène-Henry.

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

Enclosure no. 6 to despatch
no. 4705 dated May 14, 1940,
from the Embassy at Tokyo.

Translation by the Embassy at Tokyo of a note in French
sent by the French Ambassador, Mr. Arsène-Henry, to the
Vice Minister for Foreign Affairs, Mr. Tani, May 7, 1940.

May 7, 1940.

My dear Vice-Minister:

In the course of the interview which you were good
enough to grant me on February 5, you informed me that the
Imperial Government accepted in principle the allotment of
indemnities to French and Indo-Chinese victims of the bom-
bardment by Japanese military aviation of a passenger train
on the first of February at Kilometer 83 of the Yunnan line.

The acting Governor General of Indo-China to whom I
did not fail to communicate this decision has just sent me
the attached statement of claims amounting to the sum of
\$175,030, Indo-Chinese currency (Piastres), which is made
up as follows:

French victims to the number of 5	\$120,000
Indo-Chinese victims (19 killed, 27 wounded)	55,030

The explanation likewise enclosed herewith gives all
details regarding the different bases which were adopted in
determining the rate of these indemnities, account being taken
of the social condition of the victims. The information
referred to regarding the statement concerns only those
victims whom we have been able to identify beyond a doubt.
Moreover it is because the investigations of the Government
of Indo-China have been made in the most complete manner
possible that I am only today able to furnish you with this
document.

Mr. M. Tani,
Vice Minister for Foreign Affairs,
Tokyo.

-2-

document.

I commend it to your examination as you have personally followed this affair and I should be grateful to you if you would be good enough to arrange at an early date for the payment of the indemnities, to the families of the victims who are in urgent need thereof.

Accept, Mr. Vice-Minister, the assurances of my high consideration.

(Signed) Charles Arsène-Henry.

DECLASSIFIED: E.O. 11652, 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

128

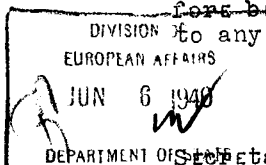
JI

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

Chungking via N. R.

Dated June 4, 1940

Rec'd 9:20 a.m.



Secretary of State

Washington

238, June 4, 9 a.m.

Hong Kong's 169, June 1, 10 a.m.

Local Chinese military sources confirm reports of concentration of Japanese Army and naval forces in the region of Hainan. One such source estimates Japanese military forces recently despatched to the island as totaling only slightly over 10,000 men, while another ~~colares~~ three divisions totaling 60,000 men have been despatched from Japan to Hainan. It seems not unlikely that the latter figure is excessive and that the first figure more nearly corresponds with (*). Same informants report that Japanese continue construction of air fields in Hainan and that 200 bombers and two aircraft carriers are now based on Hainan.

The prevalent feeling in Chinese official quarters here seems to be that the Japanese are capable of risking a move in the direction of Indo China or the Netherlands



793.94/15903

JUN 11 1940 F/FG

noted
756.94
751.94

129

-2-#238, June 4, 9 a.m. from Chungking via N.R.

Netherlands East Indies in the event of an allied collapse in Europe and perhaps even in the event of active Italian intervention on the side of Germany; at the moment it is generally felt that IndoChina might be the first object of attack, perhaps resulting in a renewed Japanese drive in Kwangsi. While informed Chinese point to the possibility of the extension of Japanese military activities, they nevertheless generally adhere to the opinion that the attitude of the United States is the paramount factor that will determine whether Japan will or will not precipitate an adventure in the south, and that Japanese inability heretofore to gauge the prospective attitude of the United States has contributed largely to what might be described as the Japanese attitude of indecision in the matter.

Repeated to Peiping, Hong Kong and Canton.

Peiping please repeat to Tokyo.

JOHNSON

DDM

(*) Apparent omission.

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

Protection of Standard Vacuum Oil interests
in China.

Map of city of Chungking; Information
contained in a - which French Military Attache
advised to show bombs dropped by Japanese
planes which landed in areas in immediate
neighborhood of French and Soviet Embassies.
Map being forwarded to Department.

For the original paper from which reference is taken

See Tel. #236;10am
(Despatch, telegram, instruction, letter, etc.)

Dated June 2, 1940 From China Chungking
To

File No. 393.115-Standard Vacuum Oil Co./246

703.04, 15905

743.54

15905
-15896

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

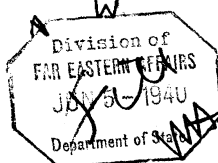
NO. 3118

RECEIVED
AMERICAN CONSULATE GENERAL,

Shanghai, May 10, 1940.

10 JUN 4 AM 10 05

Confidential



SUBJECT: Intelligence Summaries for April 1940.

For Distribution-Check		Yes	No
Grade			
For	M		<input checked="" type="checkbox"/>
	In U.S.A.		

COMMERCIAL AFFAIRS
Department of State

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

DIVISION OF
JUN 14 1940

I have the honor to refer to this Consulate General's despatch no. 3013 of April 3, 1940 and to enclose for the information of the Department copies of intelligence reports prepared by the Intelligence Officer of the Fourth United States Marines under dates April 6 and April 13, 1940.

No official communication has been received regarding the matter, but this office was informed by the aforementioned Intelligence Officer that, by orders of the Commander-in-Chief of the Asiatic Fleet, the distribution of such reports has been curtailed and reports subsequent to the latter above-mentioned date will not be forwarded to the Consulate General.

Respectfully yours,

Richard P. Butrick
Richard P. Butrick
American Consul

Enclosure:

1/- Intelligence Summaries
for April 1940.

800
EC MB
Copies to Peiping and Chungking.

793.94/15907

F/FG

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA

6 April 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

30 March to 6 April 1940

	<u>Page</u>
<u>I. MILITARY</u>	
A. Nanning Region	1
B. Shansi	1
C. Shantung	1
D. Chinese Aerial Activity	1
<u>II. MISCELLANEOUS</u>	
A. Gambling Dens in Western District	2
B. Gambling Dens in American Sector	3

H. N. Stent
H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. MILITARY

A. Nanning Region.

Japanese troops, supported by Japanese aviation, are reported to have occupied Szelo, in southern Kwangsi, seventy kilometers southwest of Nanning. They continued their advance toward Shangsze.

B. Shansi.

Increased guerrilla activity is reported near Lanhsien and west of Sih sien.

According to a Japanese report of the 3rd of April, 1,200 Chinese irregulars surrendered to the Japanese near Yicheng, in southern Shansi.

C. Shantung.

A Japanese report states that two groups of irregulars, one commanded by HO FENG and the other by CHANG CHIN WEI, made their surrender to the Japanese on the 31st of March.

D. Chinese Aerial Activity.

The Chinese Air Force resumed bombing operations on the 3rd of April when a squadron bombed a Japanese airdrome at Yuncheng, in south Shansi, on the Tatung-Puchow railway. Japanese military authorities denied the Chinese claim that thirty-five Japanese machines had been destroyed.

Another Chinese squadron is reported to have raided Yochow, in northern Hunan. Japanese sources admit the raid and claim that four Chinese farmers were killed but that no damage was done to Japanese establishments.

In both cases the Chinese aircraft are reported to have been kept at great height by Japanese anti-aircraft fire. Domei reports claim that the planes were at an altitude of over seven thousand meters.

II. MISCELLANEOUS

A. Gambling Dens in Western District.

On 31 March 1940, an Amusement Readjustment Committee was formed at No. 20, Lane 126, Kinnear Road, under the joint auspices of the Japanese Military Police and the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern and National Salvation Army, for the sole purpose of assuming control over the gambling dens in Shanghai. The committee is in charge of a Japanese named Yamaki, representing the Japanese Military Police, and Li Shih Chung, Vice Director of the Special Service Corps of the Chung Kuo Kuomintang Anti-Comintern and National Salvation Army.

It was decided by the committee that thirteen of the twenty-four gambling dens in the Western District be permitted to remain in existence, while the remaining eleven, including the Asia Club, 65 Gordon Road (American Sector), be closed.

On the night of March 31, 1940, instructions embodying the above decision were issued to all the dens by the committee and as a result, eleven of the twenty-four dens were closed.

The Amusement Readjustment Committee has also given permission to the Victoria Club, No. 29 Tifeng Road, to commence operation as from April 2, 1940. This club was scheduled to open for business in February, 1940, but failed due to the fact that the "Shanghai Amusement Supervision Department", then the controlling organ of the gambling establishments, refused to issue a permit.

It is reported that all the gambling establishments permitted by the committee to carry on business have

paid \$150,000.00 each to the organ as a security fund, with the exception of two of the smaller ones, which paid only \$30,000.00 each. Apart from collecting the above fund, the committee will continue to levy protection fees from the dens as the "Shanghai Amusement Supervision Department" did heretofore.

It is further reported that the committee has concluded an agreement with the owner of Li Wai Lo Amusement Club, situated behind the Hollywood Garden, 1204 Yu Yuen Road, and Soong Yuan establishment, 626 Avenue Haig, by which the latter have agreed to place their business under the direction of the organ and share the proceeds with same.

On the night of 31 March 1940, the Amusement Readjustment Committee also issued instructions ordering all hwo-wei lottery dens in the Western District, numbering some 200, to close down. The instructions were complied with by the den conductors who have, without exception, wound up their business.

B. Gambling Dens in American Sector.

There are at present no large gambling houses operating in the American Sector. The Asia Club, which has been operating since the fall of 1938, was closed on the night of 30 March 1940.

Visitors to the place on the 31st of March and the 1st of April were informed that negotiations to resume operations under the name of a Japanese civil club were in progress with the Japanese Consular authorities.

On the 2nd of April, the premises at 65 Gordon Road were searched by the Shanghai Municipal Police. No gam-

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

bling equipment was found, and the rooms were furnished with a minimum of furniture. A storeroom contained wine, spirits, beer, cigarettes and canned goods in considerable quantities, which rather belied the bareness of the rooms.

In a letter to the Chairman of the Shanghai Municipal Council, the Japanese Consul-General stated that an investigation revealed that the Asia Club had not been under Japanese protection.

This uncertainty as to the amount of protection the Japanese can, or will afford, is very likely the reason for the delay in opening the other two elaborate gambling houses in the American Sector (see report of 16 March).

HNS/jaw

HEADQUARTERS, FOURTH MARINES
SHANGHAI, CHINA


13 April, 1940

RESTRICTED:

INTELLIGENCE REPORT ON THE MILITARY, POLITICAL, AND ECONOMIC
SITUATION IN CHINA

6 April to 13 April 1940

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H. N. STENT
Major, U. S. Marine Corps
Regimental Intelligence Officer

I. MILITARY (French Military Bulletin)

A. Hankow Area.

A statement was made in a bulletin from the Japanese headquarters in Central China that on the 9th of April, for "strategic reasons", the Japanese troops had modified their positions in the Nanchang and Fengsin sectors in Kiangsi and in that of Machang, in Hopeh. The next day a communique from Chungking stated that the Chinese troops had taken Chingan, Fengsin and Kaoyushih, west and northwest of Nanchang.

B. Nanning Region.

Japanese forces have continued their operations southwest of Nanning. They occupied Tungcheng on the 4th of April.

C. Suiyuan.

Japanese troops have evacuated Wuyuan, in western Suiyuan, and retreated in the direction of Anpeh.

D. Guerrilla Activities.

That the principal recent military activity has consisted of clashes with guerrillas is indicated by a Japanese communique which reports 624 engagements with guerrillas in the northern part of Shantung and 69 engagements in the Anking region and along the Yangtze, during the month of March. Another Japanese communique of 10 April reports 233 engagements in the lower Yangtze region during the same period.

Japanese are reported to have successfully conducted mopping up operations in the mountainous Chungtiaoshan region, north of Pinglu, in Shansi, and also in the Wehyeng and Taming regions of Hopei.

Japanese claim to have decisively defeated a group of irregulars near Sanlien and Liangan, northeast of Hangchow.

II. POLITICAL

A. Movements of Ataman Semenoff.

Ataman Semenoff, the recognized leader of the White Russian Cossack groups in the Far East arrived in Shanghai from Dairen on 28 March 1940, secretly, and stayed at the New Asia Hotel.

Information from reliable sources indicates that he was called here by Wang Ching-wei for the purpose of discussing the organization of the Far Eastern White Russians and their employment in the service of the Wang government, with Semenoff in direct command.

Semenoff was to have left here for Nanking for a conference with Wang on 3 April 1940, and unconfirmed reports state that he actually did go, but the more reliable sources indicate that he was prevented from going by the Japanese on the ground that it was not "the opportune moment".

Nothing indicates that Semenoff's presence here had anything to do with the elections for the Municipal Council.

It is reliably reported that Semenoff had unofficial conferences with the British Military Attache and others, concerning the Mongolian situation.

Semenoff left Shanghai on the S.S. "DAIREN MARU" on the 5th of April, for Dairen.

B. Withdrawal of Japanese Advisors to Wang Ching-wei.

Reliable sources state that all Japanese advisors to Wang Ching-wei were to be withdrawn by March 30th, at the request of Wang himself. This move was approved of by General Abe, and by Tokyo, for a two months trial. Wang's reason for this is that he desires his government to be independent of the Japanese Army and the majority of his advisors were all Army officers.

To replace the Japanese advisors, certain foreigners of British, American, French and mixed nationalities have been selected, some of whom will function in Shanghai and some in Nanking. The names and past history of several of the new advisors are known, and without exception they are persons of pronounced pro-Japanese leanings and with not too savory past histories.

C. Proposed reopening of the Yangtze.

According to a source considered to be reliable, official announcement is shortly forthcoming from Tokyo to the effect that following the reopening of the Yangtze to Third Power vessels and traders, the river will at an early date be reopened from Nanking to Wuhu. This new conciliation, unless made meaningless by an involved system of military restrictions and permit systems, will be much more important to all foreign trade to China than the reopening of the lower river from Shanghai to Nanking. Wuhu's export trade has for years been greatly in excess of that from Nanking, and unless guerrilla activities and unsettled conditions in Wuhu's hinterland prevent products of the region from reaching the river, the planned reopening is likely to prove a most important concession. It is further learned from official Japanese sources, that plans for the reopening of the Nanking-Wuhu section have already considerably advanced although hitherto Tokyo as well as Japanese authorities in Shanghai and Nanking have not intimated such intentions.

D. Anti-British Boycott.

According to reliable information from the Japanese Navy, the Japanese Army is preparing for another anti-British boycott. The Japanese Navy and Foreign Office are reported to be strongly against this measure, but the Army is insisting

on the grounds that they believe by bringing pressure to bear on the British in Shanghai and on the Yangtze River, they can compel settlement of all questions with foreign nations.

III. MISCELLANEOUS

A. Central China Steamship Company - a Sino-Japanese Concern.

According to officials of the Central China Steamship Company and the Central China Liaison Office, the property of the China Merchants Steam Navigation Company is at present placed under the supervision of the Reformed Government in Nanking. Some time ago a proposal was made by the Japanese and Chinese authorities and others concerned to the effect that a shipping concern be established utilizing the property of the China Merchants Steam Navigation Company and as a result, a Sino-Japanese shipping company known as the Central China Steamship Company was established on 25 February 1940, with its temporary office on the fifth floor of No. 5, The Bund. The property of the China Merchants Steam Navigation Company, which is located in the area under the jurisdiction of the Reformed Government has been absorbed by the newly established shipping concern and shares of the company corresponding to the estimated value of the property will be handed over to the Reformed Government. Should any person or firms have claims on the property of the China Merchants Steam Navigation Company, the Reformed Government will negotiate with the person or the firms concerned and will assume responsibility.

B. Standard-Vacuum Plant, Labor Disorders.

Commencing 1 April 1940, Chinese employees at the Standard-Vacuum plant in Pootung initiated a series of disorders in the category of "strikes", during the course of which some damage was done to the property of the plant.

The reason for the "strikes" is obscure, but the fact that they were instigated by a labor union representative from a headquarters in the Jessfield Area is quite definitely established.

American officials of the Standard-Vacuum Company are of the opinion that these "strikes" were arranged by the Japanese and are part of the general scheme of the latter to paralyze foreign industries and businesses in China. (See report of 30 March 1940, on "strikes")

Marines from the detachment at the Riverside Power Station of the Shanghai Power Company crossed the river on several occasions to render assistance to the Standard-Vacuum Company officials in preserving order.

On 6 April 1940, the detachment at the Riverside Power Station was increased from ten (10) to twenty (20) men to provide for any future disorder at the Standard-Vacuum Company's Pootung installation.

C. Japanese Monopolies in Shanghai.

Since the opening of the Japanese controlled Central Vegetable Market in Chapei, a gradual decrease in the amount of vegetable produce entering the Settlement direct from the Hungjao area has been noted.

During the last two weeks this decrease has been rapidly progressive, until at the present time there are practically no vegetables entering the Settlement by way of either Great Western or Hungjao Roads.

Ta Tao police and Japanese sentries divert the large vegetable trucks coming in from the country to the north along Chung San Road, in the direction of Chapei, and some few to the south by the same road in the direction of Nantao.

It appears that the Japanese move to monopolize the vegetable trade by means of the Central Vegetable Market failed to obtain the "cooperation" of the markets within the Settlement and the Concession, which markets refused to pay the exorbitant sums demanded of them for the privilege of dealing in the Central Market, so the Japanese are now attempting to cut off the source of supply of the smaller markets by preventing entry of produce into the Settlement and Concession.

If this attempt is successful, and nothing has yet been done to stop it, residents of the Settlement and Concession are likely to very shortly experience a severe curtailment and price increase in all types of farm produce, which they are counting on with the advent of warm weather.

This attempted monopoly of farm products is only one of the numerous monopolies which the Japanese have, or are attempting to establish. Some of the others are listed below:

1. Coal
2. Cotton
3. Silk Cocoons
4. Pork
5. Wine
6. Bean Oil
7. Tea
8. Flag Manufacturing

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 2637

Peiping, May 2, 1940.

Subject: Recent Developments in Japan's
Economic Program on the Continent.

793.94

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DEPARTMENT OF STATE

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FAR EASTERN AFFAIRS
JUN 6 - 1940
Department of State

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For	in U.S.A.		<input checked="" type="checkbox"/>

The Honorable

The Secretary of State,

Washington, D.C.

Sir:

I have the honor to refer to the recent series of conferences concerning economic matters on the continent among Japanese officials which were held in Peiping, Kalgan and Hsinking, and in connection therewith to refer to the following telegrams from the Embassy to the Department: no. 125, April 17, 5 p.m.; no. 128, April 19, 2 p.m.; no. 143, April 29, 5 p.m. In view of the obvious importance with which these conferences are viewed by the Japanese press, and the high positions

793.94/15908

JUN 13 1940

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F/FG

- 2 -

of those attending from Japan, the following comment is submitted.

SUMMARY

Recent conferences on economic matters seem to indicate that the Tokyo Government, faced with a shortage of funds and materials, is revising its schemes for economic expansion on the continent. A more integrated plan based on the principle of "first things first" will probably delay the execution of the grandiose plans already made public.

The first of these conferences was held in Peiping for three days from April 17, and was noteworthy in that it was attended by four Vice Ministers, and various other high civilian officials from Tokyo. It was, moreover, the first time that dignitaries of that calibre had come to the continent for the expressed purpose of meeting and discussing in a concrete manner with military and other officials in North China.

The conference at Kalgan, held a few days later, was attended by only two of the Vice Ministers, while that at Hsinking was held between representatives of North China and "Manchukuo" alone. Nevertheless, the belief in Peiping, garnered chiefly from the way the Japanese press referred to the three as parts of a whole, is that the Tokyo Government was seeking information from officials on the spot to use as background for future decisions with respect to matters on the continent. Observers here are of the opinion that financial and economic matters have not progressed satisfactorily, and that Tokyo will attempt to revise its plans, with the creation of Japan, "Manchukuo", and North China as a single economic unit the central theme.

According

- 3 -

According to the press, such matters as finance and currency, price control, transportation, and other questions of a fundamental nature were discussed, although no details were released. Central China was not mentioned, and apparently that area is considered a separate economic entity.

The only indication of the drift of the discussions, and their influence on the probable course of action, was contained in an article which appeared in the Toa Shimpo (Peiping Japanese language daily) of April 28. It was stated therein that the conferences did not make any decisions, but that the results would become evident in future decisions in Tokyo; and that, with respect to the demand of those in the field (in north China) for greater amounts of money and material, the delegation from Japan was reported to have asserted that it was necessary to adopt the plan of "most important things first". Consequently, the delegation was reported as saying, North China would have to be content with only a portion of the money and materials available to Japan-Manchuria-North China as a whole, with a consequent shortage of certain things for some time to come. Moreover, it continued, it was unreasonable to suppose, in view of these circumstances, that the grandiose plans for development in North China could be accomplished all at once within a short period.

It might be deduced from the hint contained in the above, that expert financial and industrial figures in Japan have become somewhat alarmed at the

paper

- 4 -

paper plans and astronomical figures released by such organs as the Peking Office of the China Affairs Board, and the effect on Japan's financial structure any serious attempt to put them into effect would have. These people, although doubtless in perfect agreement with the idea of Japanese expansion on the continent, with all that the phrase implies, perhaps feel that the only way to accomplish the desired ends is to integrate and correlate from Tokyo, on a sound economic basis, the plans envisaged for "Manchukuo" and North China. In order to accomplish this, it might become necessary to merge in some manner, perhaps under the Overseas Minister, the functions and independence of such competing organs in Tokyo as the Manchurian Affairs Bureau and the China Affairs Bureau. A hint of this possibility was noted in Tokyo's despatch no. 4574 of March 11, 1940, page 63.

Respectfully yours,

For the Ambassador:

Robert L. Smyth

Robert L. Smyth
First Secretary of Embassy

Original and 2 copies to Department.
Copy to Embassy, Chungking.
Copy to Embassy, Tokyo.
Copy to Consulate General, Tientsin.

850/710 Sino-Jap./800 Peiping.

HMB/js.

TELEGRAM RECEIVED

JR

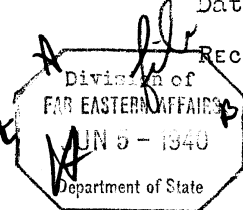
This telegram must be closely paraphrased before being communicated to anyone. (br)

FROM Chungking via N. R.

Dated June 5, 1940

Rec'd 7:20 a.m.

Secretary of State,
Washington.



6/5
Shown to
OXD and MID
KCK

240, June 5, 10 a.m.

My 237, June 3, noon. 793.94/15 898

Embassy now learns that the British Embassy which is adjacent to the French Consulate has been similarly warned with regard to the location of its office in Chungking. The British Ambassador informed McHugh on June 4 that the Japanese communication had been received on June 2. He had replied stating (1) the secretariat of his staff was here on duty (2) that the Consulate property was owned outright by the British Government and not leased from the Chinese (3) that the majority of the premises were in fact being used by the diplomatic mission (4) that the air field which the Japanese desired to bomb was more than 1,000 meters away and was only a civil aerodrome and (5) that he not only did not propose to move but would hold the Japanese Government strictly accountable for any damage to British personnel or property.

With regard to the Asiatic Petroleum Company

installation

793.94/15909

F/FG

-2- #240, June 5, 10 a.m., from Chungking.

installation, which is ten miles down river and which the Japanese stated was in danger due to its proximity to antiaircraft guns, the Ambassador stated that he had asked the oil company to investigate the location of such guns. He added however, that he thought there were no antiaircraft guns within a radius of one mile of the installation.

Repeated to Peiping, Shanghai.

Peiping please air mail to Tokyo.

JOHNSON

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

6/14

~~that~~
~~is not~~
D/H

I think you will wish
to read this brief despatch.
Jmf



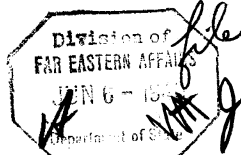
EMBASSY OF THE
UNITED STATES OF AMERICA

No. 522.

Chungking, May 8, 1940

Subject: Japanese Bombing of Market Town West
of Pingshih, Honan, on April 15, 1940.

793.94
note
793.94114

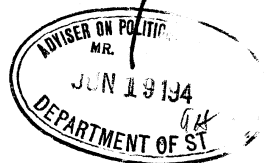


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AND RECORDS

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For	In U.S.A.		<input checked="" type="checkbox"/>



793.94/15910

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

I have the honor to quote below for the Department's information and files an excerpt from a letter addressed to the Embassy under date of April 16, 1940 by the Reverend Arthur E. Nyhus, an American missionary associated with the Lutheran Brethren Mission at Tungpeh, Honan, describing the results observed by him of a Japanese aerial bombing attack on "a small market town" near Pingshih, in southwestern Honan, on April 15, 1940:

"Yesterday A.M. a single Japanese plane passed by here, scouting the immediate district

to west

F/FG

- 2 -

west of Pingshih. At a small market town 30 li west of here 6 bombs were dropped in the throngs crowding the street, -it being market day. I went there on my bicycle in the P.M. to see about our property, and our group there. I have seen many horrible sights during the last two years, but nothing to compare with what I saw yesterday at this place. Between 60 and 70 were killed, the bodies actually piled into heaps by the explosions. And to add to the gruesomeness of it all, fire had started and literally roasted the bodies. I dare make the statement that there was not a single soldier among the victims. I am glad to report that none of our property was damaged, nor was any of our believers hurt."

Respectfully yours,



Nelson Trusler Johnson

Original and four copies to the Department.
Copy to Embassy, Peiping
Copy to Consulate General, Hankow

360

EFD:MCL

AC

TELEGRAM RECEIVED

This telegram must be Hong Kong via N.R.
closely paraphrased ~~be~~
fore being communicated Dated June 6, 1940
to anyone. (Br)

FROM Rec'd 3:30 p.m.

Secretary of State

Washington

175, June 6, 10 a.m.
Reference my 169, June 1, 10 a.m.

Further conversation in conservative sources

here indicates conjecture that Japanese concentration
in the Hainan area is much more likely ^{to attack} ~~Indo~~ Indo China
(if and when the European situation favors such action)
than against Dutch Indies. Principal reasons are that
Indo China is closer to existing Japanese military and
naval bases; that such attack could be more advantageously
justified in world and United States opinion as an
obvious military step to cut off ^{VALUABLE} ~~the~~ transportation
^{ROUTES} ~~the~~ into China and at the same time serve an un-
announced purpose of procuring source of important raw
materials.

I note a tendency here towards what seems to me a
somewhat mysterious British confidence that the Japanese
will not attack Hong Kong so long as Indo China may be-
come vulnerable as the result of European developments.
Interpretation of Japanese thought is that as Hong Kong
is already cut off as a port for war materials for China
and

735.94/15911

F/FG

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

- 2 - #175, June 8, 10 a.m. from Hong Kong

and has no natural resources its possession would
serve no sufficiently useful purpose to justify incur-
ring eventual British retribution whereas taking posses-
sion of Indo China would afford more practical results and
incur at most an ^{ULTIMATELY} ~~few~~ less dangerous French retribu-
tion.

Non-British sources here hold the usual suspicious
opinion that there is developing an Anglo Japanese
understanding for Hong Kong immunity.

Repeated to Chungking, Canton, and Peiping for
Tokyo.

SOUTHARD

KLP

NOTE: Garbled groups have been serviced.

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

TELEGRAM RECEIVED

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

Hankow via N.R.

Dated June 6, 1940

Rec'd 8:55 p.m.

Secretary of State
Washington

June 6, noon.
My May 31, 11 a.m.

193.94
Usually well informed sources declare that following
meeting of high Japanese naval officers here on June 3,
General Honjo departed the following day for Nanking
and Tokyo with a request for 150,000 reinforcements.
Augmentation of Japanese strength northwest of Wuhan
as per May 30 has probably not exceeded 10,000.

Meanwhile hostilities have shifted to the west of
the Han river. Two Japanese columns have apparently
advanced through Siangyang and Icheng to the escarpment
of the west Hupeh mountains and a third column is believed
to be operating in the plains west of Shayang moving in
the direction of Shasi. Large Chinese forces are on
the flanks and to the rear of these Japanese columns.

Three Americans evacuated from Tsaoyang on June 1
state that the Japanese were then completing withdrawal
from town.

Sent to Chungking. Repeated to the Department,
Peiping, Shanghai.

SPIKER

793.94/15912

F/FG

TELEGRAM RECEIVED

CK

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

Canton via N.R.

Dated June 6, 1940

Rec'd 4:40 p.m.

Secretary of State

Washington

53, June 6, 4 p.m.

Reference Chungking's 238, June 4, 9 a.m., and
Hong Kong's 169, June 1, 10 a.m.

Yesterday confirmation was received of the report
that a conference presumably recently held at Canton
(presumably ^{in the beginning} of last week) and was attended by vice
admirals of Japanese naval forces in South and Central
China. The nature of the conference is not known.

Although this office has no information in regard
to troop increases on Hainan ^{other than} that contained in press
reports it fails to perceive in the light of local
conditions and of the nearness of Formosa the advantage
to be gained by a large concentration troops there for
use elsewhere.

Repeated to Chungking, Peiping, and Hong Kong.
Peiping please repeat to Tokyo.

MYERS

EMB

793.34/15913

F/FG

JUN 11 1940
STUD

TELEGRAM RECEIVED

AC

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

FROM

Chungking via N.R.

Dated June 7, 1940

Rec'd 2:50 a.m.

Secretary of State

Washington

245, June 7, 9 a.m.

193.94

Chinese sources admitted yesterday that Japanese forces have effected crossing of Han River in two or three places in considerable numbers and now expect an attack in the direction of Ichang. Occupation of Ichang would be a serious blow in that it would cut much used communication route now used to supply armies in Yangtze Valley ~~and~~ ^{AS WELL AS} to bring supplies of certain necessary goods to West China. Chinese also believe that Japanese are ~~are~~ ^{organizing} a concentration on Hainan Island and at Nanning for purpose of making effective a demand on French for free passage through French Indochina into Yunnan with idea of cutting route to Burma and to Indochina. Chinese are much concerned over fate of goods at Haiphong still undelivered.

Repeated to Paiping.

JOHNSON

ROW

JUN 11 1940

FILED

F/FG

793.94/15914

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Pham 15
On 24 M 10
KCK

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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

6.11.40

WAA
MTT

PAH

*To note list and
somewhat optimistic
final paragraph*

GA



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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 540.

Chungking, May 22, 1940

Subject: Recrudescence of Japanese Aerial
Bombing Activity in Szechuan.

AIR MAIL

STRICTLY CONFIDENTIAL



For Distribution-Check		Yes	No
Grade			
For			
	To Field		
	In U.S.A.		

ONLY MID

JUL 16 1940

The Honorable

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report that coincident with the advent of fair weather there has been a recrudescence of Japanese aerial bombing activity throughout the province of Szechuan. These attacks have been resumed after a period of comparative quiet lasting from September 1939.

The following attacks are reported to have occurred in the past few days:

<u>Place of attack</u>	<u>Date of attack</u>
Chengtu	May 18
Suifu	May 18
Chengtu	May 19
Liangshan	May 19
Chungking	May 20
Liangshan	May 20
Liangshan	May 21
Chungking and vicinity	May 21
Chungking and vicinity	May 22

In

793.94/15915

F/FG

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

AIR MAIL

- 2 -

In each of the foregoing cases the Japanese are reported to have limited their attacks to air fields, with the apparent object of destroying Chinese military aviation equipment. It would appear, however, according to reports available to the Embassy that the attacks, the majority of which occurred at night, caused very little damage. It is to be hoped that, contrary to the indiscriminate manner in which the civilian populations of Chungking, Chengtu, Kweiyang and other central and west China cities were bombed in 1939, the above-mentioned attacks presage an endeavor on the part of the Japanese to restrict future aerial attacks to objects of a legitimate military nature.

Respectfully yours,



Nelson Trusler Johnson

Original (by air mail) and
four copies to the Department.
Copy to Embassy, Peiping.

710

EFD:MCL

The Present Situation In The Taian
Section

In our immediate region the trains are running about normal, and it seems there is a great amount of travel between Tiensin, Peking and Shanghai. The business appears to be immense also. We are now receiving mail from Shanghai in about three days, which shows that passenger trains are getting through with little trouble. We do hear, however, of a bomb being put under a culvert or a train being derailed occasionally. This does not seem to be enough to much hinder normal traffic. The Guerrillas are either not equipped to do much along R.R. or are afraid to undertake it. In the territory the Japanese control they are careful to keep order and guard against any sort of uprising against the new order of things. It is ^{due} ~~due~~ to this fact that we have peace in our work and travel near home. When we get ten to twenty miles from the R.R. we by no means find it so peaceful. We constantly hear of skirmishes and killing between the Japanese soldiers stationed out there and the Chinese soldiers. Not only so but it is reported that the Chinese soldiers who are bought over by the Japanese also at times are engaged in battle by Chinese Guerrilla soldiers. Worse still, in some sections the "Red Guerrillas" and the regular Chinese Guerrillas have pitched battles. So the situation in some parts, is China against China. Wherever this is true of course they are foolishly playing into the hands of the Japanese. Here is one of China's greatest dangers, war between her own soldiers. There is another menace just now, a host of so called Guerrillas are nothing more than simple bandits ^{oppressing} ~~opposing~~ their own people. The Chinese as a rule are loyal enough in sentiment and talk for their country, but if only ten out of a hundred were loyal in action they might soon have peace. Japan strength is in her united front and loyalty to her government. China's weakness is in her lack of loyalty and a united front on the part of the masses.

Under these circumstances do you wonder that Japan is gradually digging deeper into Chinese territory and already reaping much of the very cream of the land, binding the giant China and her millions. Yet, we rarely talk to a Chinese anywhere but that he is as optimistic as Lucifer sitting

793.94/15916

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on the top of the world. Ever since we came to Tai An now a year and a half ago they have been telling us China is soon going to sweep the Japanese out of their land. However, the Japanese, as to outside appearances, have far more ground for optimism than do the Chinese.

Coming down to solid facts, whatever either side may say for its self China and Japan both long for peace. They are both like the Irishman up a tree in the bears arms, they want some one to come and help them let the bear loose. Both are worn and tired of war; for the loss of property and life is appalling, and the end is not in sight. Besides, both are digging their own financial graves. Moreover they are bringing endless distress suffering, starvation and death on their own helpless people. All hearts that are not crushed to utter despair are crying, how long! O Lord how long!

To day, Jan. 26th. 1940 the trade treaty between Japan and the USA expires. Here in China we have all been more or less apprehensive lest at the expiration of this treaty the attitude of Japan, and especially the military, might make it harder for us to go on peacefully with our work. However, we are hoping and praying it will be otherwise, and that we shall be able to move about freely as heretofore. We can not see how such a course could be of any earthly help to Japan; for we know she does not want to invite extra trouble and burden upon herself at a time like this. Moreover we know America and her people are averse to any policy that might unnecessarily cause strife, or any thing like taking up arms against an other nation. If all sides are willing to abide by righteous law, that is the foundation of society between nations as well as individuals, there is no reason why all questions should not be settled by arbitration. We have no doubt but that whatever steps the USA ^{has} taken with Japan

has been in no sense to provoke trouble, but from a conscious desire to uphold law and order between nations. In future in all her relations we trust she will be guided by the same righteous desire. Our desire and prayer is that

Japan also will be guided by like safe and wholesome principles. If both parties are thus guided in their dealings with each other there will be no room for misunderstanding.

T.L. Blalock.

China's Optimistic View

It must be remembered that we who live in Japanese controlled territory only get such news as seeps through in spite of much suppression of the real situation on the Chinese front. However, it seems they are holding their own and even gaining ground in some places. Indeed even here it is impossible to tell how strong the Guerrillas are. They seem to be enough to keep the Japanese always on the move, and many of them who move out never move back, except in a little white box of ashes.

An other thing is sure, the Chinese claim Japan is not gaining in strength and morale, but gradually weakening. A second thing is, those Leaders who are sponsoring the new order for Japan have little dependable following. No military leaders of any force has gone across to the Japanese. Moreover in this province the strongest generals Japan had been able to win over has deserted, and is now fighting manfully with the Chinese Guerrillas.

Japan's peace gestures through Wang Ching Wei signify a growing weakness rather than strength.

Japan's aggression and efforts to subjugate China leaves her not a single dependable friend among the nations of the world. Moreover, it is confidently talked and believed by the Chinese that in the long run they will wear out Japan.

In Japan's present condition the Chinese hope ^{she} Japan will become involved with some other strong nation at sea. With Japan's ^{navy} crippled she could neither further carry on war with China nor protect her own coast, *they say*.

This is a sort of birds eye view of the present outlook from both the Chinese and Japanese standpoint. No one, however, is able to forecast the future outcome of the Sino-Japanese war.

This is common information, but it is not written for print

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

S.S.Pres.Coolidge,
May 28th.1940

The inclosed article was written Jan 26th, but because of failure to find a convenient opportunity to mail it delay has been necessary

The only change in the present situation in China so far as we can learn is the open traitorous attitude of the "Red Army" in China. The loyal government troops are more and more finding them a menace. They are proving themselves godless, conscienceless, and heartless with respect to their own country and people. Though they claim to be enemies of Japan, their attitude and conduct is helping her and hindering China in this life and death struggle. Japan claimed she was fighting China to put down Bolshevism, but she has increased rather than diminished the Red menace.

Moreover, Japan will never be able to put down Bolshevism in China. If ever wiped out it must be done by China and the Chinese.

May the 30th we are to disembark at San Francisco.

Our address in the States will be Mt. Pleasant, N.C.

T.L. Blalock
T.L.Blalock.

-6-

"In view of the fact that Lieut-Gen. Kita was a warm personal supporter of Mr. Wang Keh-min, head of the 'Peking Provisional Government' and of the semi-independent state of North China, this move is considered a sign that the North China group may now recede from their former attitude regarding the formation of the Central regime."

Major-General Yoshiharu Takeshita, was designated Director of the Inner Mongol Liaison Office of the China Affairs Board at Kalgan, superseding Lieutenant-General Takashi Sakai. (DOMEI - March 28).

(e) Japanese Military Spokesman. Lieutenant-Colonel T. Mori, was designated as Japanese military spokesman at Tientsin, replacing Lieutenant-Colonel U. Nagai, who left for Peiping March 15th to serve in the Press Section of the Japanese Expeditionary Force in North China. (PEKING & TIENTSIN TIMES, March 13).

(f) Japanese Gunboat at Tientsin. The Japanese Gunboat KIKI arrived at Tientsin on March 24th and departed March 26th.

(g) Japanese Concession Budget. The YOKOHAMA NICHU NICHU (March 22) reported that the budget of the Japanese Municipal Council for the next fiscal year will exceed ¥811,000,000.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations.
Report concerning -, for month of March, 1940.

2a

For the original paper from which reference is taken

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See
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 10, 1940 From Tientsin (Caldwell).
To

File No. 893.00 P.R. Tientsin/ 143

793.94/15917

15917

-4-

793.94
(a) "North China Political Affairs Commission." On March 18th five representatives of the Peking Provisional Government left Peiping by air for Nanking to attend the "Central Political Conference", held March 20th to 22nd. This "conference" led to the establishment on March 30th of the new "central government" which assumed the name of "National Government of China", and to the dissolution of the "Peking Provisional Government" and the "Nanking Reformed Government". However, the "Peking Provisional Government", renamed the "North China Political Affairs Commission", is apparently to remain an autonomous Japanese-controlled regime with jurisdiction over the provinces of Hopeh, Shantung and Shensi south of the Great Wall.

At Tientsin, establishment of the new "National Government of China" was unenthusiastically celebrated with a holiday, a mass meeting of Japanese and Chinese officials, and a display of Japanese flags by Japanese shopkeepers. "Chinese national flags" had been prepared for display but it appears that at the last minute orders were given not to use them and they were displayed only from official buildings.

(b) Interviews Refused by Japanese Military. Local Japanese military authorities continued to refuse to grant press interviews, but the newly arrived Japanese military spokesman, Lieutenant-Colonel Mori, in his first meeting with the local press on March 20th, stated inter alia that the barriers would

not

-5-

not be removed before the return of the Concessions to the Chinese. The following day at an "emergency press conference", he stated that his previous remark had been made humorously.

(c) Japanese Military Operations. The Japanese press alleged that during March the Japanese forces had engaged in extensive "mopping-up" operations in Hopeh, Shansi, and Suiyuan; that in Hopeh approximately 10,000 Chinese "guerrillas" had surrendered; that numerous clashes had occurred in Shansi between the National Government or Provincial forces and the Communist Army. The Chinese press reported many attacks on Japanese outposts and lines of communication and the recapture of Suiyuan. At the end of the month the Japanese announced that their forces had again taken Suiyuan. Aerial activities of the Japanese were intensified during the month, and the Japanese press reported that army air units had bombed Chinese troop concentrations at various places in North China.

(d) China Affairs Board. Major-General S. Morioka, Vice Chief of the Liaison Office of the China Affairs Board, was designated President of the Board in Peiping, replacing Lieutenant-General S. Kita, who left for Japan on March 19th. The Peking & TIENTSIN TIMES (March 13) in commenting on the departure of Lieutenant-General Kita, quoted a REUTERS'S report as follows:

"In

-6-

"In view of the fact that Lieut-Gen. Kite was a warm personal supporter of Mr. Wang Keh-min, head of the 'Peking Provisional Government' and of the semi-independent state of North China, this move is considered a sign that the North China group may now recede from their former attitude regarding the formation of the Central regime."

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(f) Japanese Gunboat at Tientsin. The Japanese Gunboat KIJI arrived at Tientsin on March 24th and departed March 26th.

(g) Japanese Concession Budget. The KEISUIN NIKKI NIKKI (March 22) reported that the budget of the Japanese Municipal Council for the next fiscal 111 exceed ¥811,000,000.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations.

Report concerning -, for month of March, 1940.

aa

For the original paper from which reference is taken

See # 2609
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 16, 1940 From } China (Lookhart).
To }

File No. 893.00 P.R. / 168

793.34 / 15918

15918

4. Japan:

a. The general situation:

793.94
There was comparatively little military activity during the month, the Japanese apparently wishing to have the inauguration of the new Wang Ching-wei regime take place in a peaceful setting. The Japanese finally established March 30 a "central government" at Nanking under Wang Ching-wei, but North China retained a large measure of autonomy. The paramount interest which the Japanese have in North China was demonstrated by the striking increase in the Japanese civilian population of Peiping - 55,594 on April 1, an increase of 10,000¹⁶ in three months.

b.

-
14. Mr. Mikitin, Soviet Consul General, Peiping.
15. Reuter, Moscow, March 13.
16. Peiping Japanese consular police figures.

- 7 -

b. Military operations in
North and Central China:

Following their campaign in west Suiyuan in February the Japanese withdrew most of their forces to Paochow, leaving only a small Japanese and Mongolian garrison in Suiyuan. In March 20 the Chinese attacked Suiyuan and after several days of street fighting drove out the garrison. The Japanese then dispatched reinforcements from Paochow and claimed the reoccupation of the city ¹⁷ March 26.

There was only desultory fighting in Shansi Province, skirmishes being reported along the Tungpu Railway and some Japanese activity near Chuntu on the Yellow River in western Shansi.

In Central China General Li Tsung-jen's troops continued to harass the Japanese in the Huikien-Yingshan sector, and Chinese troops were also active in the Yoyang and Wuchang areas. The American Consul General at Hankow reported that there was much speculation concerning, but little concrete evidence of, a Japanese ¹⁸ offensive allegedly being planned for April or May.

c. Military operations
in South China:

The withdrawal of more than a division of Japanese troops from the Nanning area in February left only some two divisions or parts thereof to protect that area as well as the Japanese communications with the sea at Yanchow. Early in March a Chinese force appeared to the east of the Nanning-Yanchow highway and threatened to cut Japanese communications, and, in order to remove

this

17. Military Attaché's Situation Report no. 8962 of April 3, 1940.
18. Hankow's April 3, 9 a.m., to Peiping only (monthly summary).

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this threat, the Japanese sent several columns, totalling about six or seven thousand men, east from Wanning and northeast from points along the highway and from Yanshow; by March 19 these columns were able after some fighting to occupy Yungshun, Nanheung and Ningshan. The Japanese then retired, closely followed by Chinese forces. It seemed apparent that, having comparatively few troops in this general area, the Japanese were relying on rapid "thrust and withdraw" tactics to break up threats to their security.

During the month the Japanese occupied several important towns in the rich delta district of Chungshan, Kwangtung, birthplace of Dr. Sun Yat Sen, which had been occupied and evacuated by Japanese troops in October 1939. The Japanese purpose in reoccupying this district was probably two-fold: to drive out guerrillas who had become troublesome, and perhaps also in order to bring pressure to bear on the Portuguese at Macao with a view to the freer use of that colony as a base for Japanese trade.

Japanese army and navy units on Hainan Island, reinforced by the transfer of troops from Kwangsi, launched a drive March 4 against Chinese forces remaining on the island. The Japanese claimed that numerous casualties were inflicted on the Chinese and that many strategic points were occupied, some of which, however, as Hoda, had previously been occupied and evacuated.

2.

19. Military Attaché's Situation Report no. 8962 of April 3, 1940.
20. Canton's April 3, 5 p.m., to Peiping only (monthly summary).
21. Hong Kong's April 1, 12 noon, to Peiping only (monthly summary).
22. Canton's April 3, 5 p.m., to Peiping only (monthly summary).

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d. Military activities in
the occupied areas:

The Japanese continued operations against guerrillas in Hopei Province and on March 10 began a campaign to dispose of some 3,000 guerrillas based on Tungcheitang, in the mountains 45 miles west of Peiping, who had long proved troublesome. Four Japanese columns, supported by airplanes, advanced from Liangsiang, Nentoukow, Hankow and south of Hwailai and reportedly captured Tungcheitang March 14. The Japanese considered the campaign ended March 24 but fighting with Chinese and returning Chinese elements continued. The Japanese also carried on a campaign during the month in central Hopei against "communist" troops and, as usual, claimed complete success.

The American Vice Consul at Tsinan stated that frequent indecisive clashes between Chinese and Japanese forces were reported in several parts of Shantung and that the Japanese admitted that in some cases the Chinese had assumed the offensive. The American Consul at Chefoo reported that the military situation was unchanged by clashes with guerrillas at various places in the interior.

The American Consul at Swatow reported that, following increased activity on the part of Chinese regulars and guerrillas at the end of February, the Japanese landed 7,000 reinforcements at Swatow during the first week in March. These forces undertook a campaign against Chinese troops in the Swatow-Chaochowfu-Kityang triangle with

Kityang

-
23. Military Attaché's Situation Report no. 8962 of April 3, 1940.
24. Local press reports.
25. Tsinan's April 1 to Peiping only (monthly summary).
26. Chefoo's April 3, 12 noon, to Peiping only (monthly summary).

- 10 -

Xityang as the objective; by March 9 the Japanese were within five miles of that city but then unexpectedly withdrew to Swatow and Chaochowfu, stating that they had not intended to enlarge the occupied area and that their purpose was to annihilate Chinese remnants. It was reported that, although driven back and somewhat disorganized, the Chinese forces were returning to the area within the triangle. On March 13 Japanese transports began to carry away troops which had arrived earlier in the month and the total number of Japanese troops remaining in the district was not believed to exceed five or six thousand.²⁷

a. Aerial activities:

The Japanese air force was not particularly active during the month. Japanese airplanes supported ground operations in Suiyuan, Hopei and South China, and the Japanese press reported that raids were made on Kwaihsien, east of Nanning (March 2); Koshietien, west of Yingshan, Hupeh (March 7); Taiping, Anhwei (March 10); points in Kiangsi (March 12 and 14); Szelung and Tapingkan, Kwangsi (March 12); Chinese troops in the Tsingtao area (March 15); Lungchow, Kwangsi (March 25); Paishui, Shensi (March 26); and Yushan and Hian, Kiangsi (March 30). The American Consul at Foochow reported that Japanese planes bombed Changmen, Kuantou and Kiehnow, and that Japanese planes were frequently over Foochow though the city was not bombed.²⁹

The Chinese air force was not active. Reports from Chungking indicated that, with the approach of the

"air

27. Swatow's April 1, 12 noon, to Peiping only (monthly summary).

28. Simei reports during March.

29. Foochow's April 1, 6 p.m., to Peiping only (monthly summary).

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"air raid season", the Chinese authorities at Chungking were making efforts to reduce the population of the city.
30

4. Political activities in the occupied areas:

The American Embassy at Nanking reported that, after being repeatedly postponed, a "Central Political Conference" was convened at Nanking March 20 with Wang Ching-wei presiding and delegates representing Wang's so-called "orthodox Kuomintang" and the three principal Japanese sponsored Chinese regimes ("Reformed Government", "Provisional Government" and "Autonomous Government of Mongolia"); an unsuccessful attempt was made to give the conference the appearance of being a representative gathering by the inclusion of delegates of several obscure political groups. The conference, which was in session from March 20 to 22, accepted with speed and unanimity a number of resolutions, which, it was apparent, had already been agreed upon by the Japanese and Wang Ching-wei, Wang Mah-min and Liang Hsiang-shih. These resolutions called for the establishment of a "National Government" at Nanking, the creation of a "Central Political Council" as the supreme political organ, the organization of the government along lines paralleling the recognized Government of China, and the adoption of the same flag. The dissolution of the "Provisional Government" and "Reformed Government" was passed and a "North China Political Affairs Commission" established with such sweeping powers as to make North China

virtually

30. Neuter, Chungking, March 1.

- 12 -

virtually autonomous. The conference decided upon the "liquidation" of the National Government at Chungking and exhorted its officials to return to Nanking and its soldiers to cease fighting. The personnel of the new regime was also approved and made public, but men of integrity and standing were noticeably lacking, thus emphasizing the disinclination of Chinese of character and ability to associate themselves with Wang Ching-wei and the Japanese in their efforts to establish a "new order in East Asia".

The new National Government was inaugurated at a brief ceremony in Nanking March 30, when Wang Ching-wei, "Acting Chairman prior to the return of Lin Sen to the capital", proclaimed the "National Government" as the only legal government in China. He also set forth the "mission and political program" of the new regime, stating that the realization of peace through political and economic cooperation with Japan and the establishment of constitutional government were the two most important tasks confronting the new regime; other announced policies were the suppression of communism, respect for the rights and interests of friendly powers, readjustment of Sino-foreign relations, participation of foreign capital and technical assistance in the economic and industrial development of the country; promotion of foreign trade; and the reorganization of finances and currency.

The American Embassy at Nanking reported that the most striking feature of the new regime was its close resemblance in name, structure, organization, flag,

etcetera

31. Nanking's despatch to the Department no. 66 of April 4, 1940 - "Preparations for the establishment of a new 'central government'...".
32. Nanking's April 1, 6 p.m., to Peiping only (monthly summary).

- 13 -

esteers, to the recognized government of China which the Japanese have sought for over two years to overthrow by force and political intrigue. Many observers felt that the sponsors of the new regime hoped that this similarity would facilitate negotiations with the National Government at Chungking, possibly resulting in eventual amalgamation, or might slowly undermine that government. The personnel of the new government, however, is unimpressive and its jurisdiction limited since North China remains practically autonomous. Furthermore, aside from certain gestures made by the Japanese in regard to the return of Chinese property to the new regime, there have been no important indications that the Japanese intend to relinquish either economic or military control over the occupied areas in China. The declared attitude of the new regime towards foreign powers is stated to be one of respect for their legitimate rights and interests, but ³³ this remains to be seen.

The "Provisional Government" and the "United Council" were dissolved and the "North China Political Affairs Commission" was formally inaugurated at Tsiping March 30 at a brief ceremony marked by an almost complete absence of the usual celebrations. It was announced that the new "commission" would take over matters previously handled by the "Provisional Government" and would have jurisdiction over Hopei, Chantung and Chansi provinces; that it would be empowered to conduct negotiations with Japan, "Manchukuo" and "Mengchiang" for the settlement of local cases and also to dispose of local cases

involving

33. Hanking's April 1, 6 p.m., to Tsiping only (monthly summary).

- 14 -

34
involving foreign interests. It seemed evident that the status of North China had undergone no real change and that North China would remain at least semi-autonomous, rendering only nominal allegiance to Nanking. The desire of the Japanese to maintain the autonomous status of North China appeared to indicate that Japan considered that her interests and objectives in that area were more vitally important to her than those in central and
35
South China.

The activities of Wang Ching-wei and the imminent establishment of a new "central government" were favorably commented upon in the Japanese controlled press in China, but were bitterly denounced by the Chinese press in Chungking. British press comment was restrained and it was apparent that the British press was reflecting the present conciliatory policy of the British Government toward Japan. The Shanghai Evening Post and Mercury (American) vigorously attacked Wang Ching-wei and the forthcoming inauguration of the new "government" in an editorial March 20 entitled "Birth of a Monster"; the paper asserted that "the National Government at Chungking ... stands today as never before in a position of moral authority", and added that "just one thing - the Japanese bayonet" stood behind the new regime.

The Japanese Government announced March 30 that it would extend "whole hearted cooperation and support" to
36
the Nanking regime. The American Government's attitude on the matter is reported on page 2.

2.

34. Peiping's 99, March 31, 4 p.m.
35. Peiping's 103, April 1, 5 p.m.
36. Tokyo's 215, March 30, 8 p.m.

CROSS-REFERENCE FILE

NOTE

SUBJECT

Sino-Japanese relations.

Report concerning -, for month of March, 1940.

aa

For the original paper from which reference is taken

See # 4681
(Despatch, telegram, instruction, letter, etc.)

Dated Apr. 29, 1940 From | Japan (Grew).
To |

File No. 894.00 P.R./148

793.94 / 15919

15919

(b) China

1. Military operations***

143,94
The month of March was a very quiet one as far as Japanese military operations in China were concerned, and most of what military activity that occurred was devoted to clean-up campaigns. These appeared to have been conducted in numerous areas in much of the occupied territory; many being repetitions of similar activities conducted in the same localities during the past two years, where, despite Japanese efforts, Chinese attacks continued to occur.

In

*Embassy's despatch no. 4624, April 2, 1940.

**Embassy's telegram no. 219, April 1, 1 p.m.

***Prepared with the assistance of the Office of the Military Attaché.

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In the northwest, Japanese forces again undertook operations against Wuyuan, in Suiyuan Province, which the Chinese had succeeded in recapturing from the Mongolian garrison left there after the Japanese captured it in January. The Japanese claimed to have retaken it, but they again withdrew to Paotow as they had done after their previous advance. In central China there was little activity reported. In south China further fighting occurred around Nanning; while the Japanese again occupied Chungshan and also launched an offensive near the border of Macao in the Pearl River delta.

Japanese reports continued to feature internecine warfare in China between the Communists and Chinese National Government forces, particularly in Shansi and Shantung. The Japanese press reported that this fighting was being eagerly watched not only by Japan but by Russia as well. The latter country, according to these reports, had stationed some six thousand troops at Lanchow, Kansu, and Hsian, Shensi.

There was very little aerial activity during the month.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Sino-Japanese relations.

Report concerning -, for the month of April, 1940.

RA

For the original paper from which reference is taken

See # 132
(Despatch, telegram, instruction, letter, etc.)

Dated May 2, 1940 From | Amoy (MacVitty)
To |

893.00 P.R. Amoy/ 151

File No.

793.94 / 15920

15910

(b) Relations with Japan.

1. American-Japanese Relations.

793.94
Several articles appeared in the Amoy press during April which were slightly antagonistic to American policy in the Far East. These articles were entirely based upon Domei Agency reports of articles appearing in the Japanese press.

2. Japanese Military Activity.

There was no military activity of any kind in the Amoy district during the month under review. It is understood that some 3,000 Puppet troops are now quartered in Amoy. Most of these troops are made up of conscripts from Amoy from the coolie classes.

3. Japanese Fleet.

- 4 -

3. Japanese Fleet.

The Japanese Fleet, which anchored off Amoy on March 30 (see this report for March 1940), departed on April 4 for an unknown destination.

4. Japanese Censorship of Mail.

Japanese censors in the Amoy Post Office have held up all copies of the READER'S DIGEST, WORLD DIGEST and PICTURE POST (British), destined to subscribers in the International Settlement. A protest against the holding up of American publications, especially those addressed to this Consulate, has been made to the Japanese Consul General. No reply has been received, as yet, to this protest.

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 relations.

Report concerning -, for month of April, 1940.

aa

For the original paper from which reference is taken

See # 3125
(Despatch, telegram, instruction, letter, etc.)

Dated May 9, 1940 From | Shanghai (Butrick).
To |

File No. 893.00 P.R. Shanghai/139

735.34/15921

15921

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

Japan.

793.94
General Nobuyuki Abe, Ambassador Extraordinary and
Envoy Plenipotentiary to the newly established Wang
Ching-wei regime, arrived at Nanking on April 23, accom-
panied by his staff and Japanese business men and journal-
ists, to attend the four-day celebration of the return of
the National Government of China to its capital. On
the occasion of the ceremonies of April 23 General Abe
stated that he was happy to participate in that celebration,
and praised Mr. Wang Ching-wei and his followers for their
efforts. Noting that he had been sent as Ambassador to
convey to the new "Government" the congratulations and
good wishes of the Japanese nation General Abe gave
assurances that Japan desired to render every assistance

in

Shanghai's despatch no. 3091, April 30, 1940 (no. 2310
to Embassy).
Of. Shanghai's political report for March 1940, p. 3.
Shanghai's despatch, April 24, 1940.

-5-

in connection with the formidable task of liquidating the internal political situation, pacifying the people, and adjusting relations with foreign countries.

It was reported by JOMHEI from Nanking that General Abe would open formal negotiations with Mr. Wang Ching-wei for the giving of concrete expression to the three principles of good neighborliness, joint defense against Communism, and economic cooperation. According to a small report from Tokyo, the opening of negotiations for the conclusion of a formal agreement with the Nanking National Government could be considered "tantamount to the extension of formal recognition to the administration headed by Mr. Wang Ching-wei..."

An informed source reported that there occurred Japanese troop concentrations in the vicinity of Wuhu in the latter part of the month, and the Japanese appeared at the end of the month to have undertaken mopping-up operations in southern Anhwei. The Japanese announced the capture of Tsingyang, southern Anhwei.

Chinese guerrillas attending a wedding party in a village west of Shanghai killed two Japanese soldiers, and in retaliation Japanese troops burned villages and massacred large numbers of Chinese villagers. ...

-6-

The Japanese Embassy spokesman stated on April 5 in press conference that the United States appears to be acting on the premise that events leading up to the establishment of the Nanking regime constituted a violation of the Nine-Power and Kellogg-Briand treaties, but that the Japanese do not consider this to be the case inasmuch as the actions of the Japanese Army in China are "an expression of the sovereign right of self-defense"; and, the action of some nations in not recognizing that regime "runs counter to the policy of not interfering with a nation's internal affairs." Noting that most of the important ports and cities are now under the jurisdiction of Nanking, he observed that it seemed unwise for third powers now to decide whether or not they will recognize the new "Government", thus binding their future action.*

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

JR

TELEGRAM RECEIVED

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

Dated June 8, 1940

FROM

Rec'd 6:37 p.m.

Secretary of State,

Washington.

June 8, 10 a.m.

My June 6, noon.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

June 10. 892

The Japanese forces which passed through Siangyang and Icheng appear to be moving south in parallel columns converging on Kingmen. The rapidity of their advance suggests that the more than ten new Chinese divisions reported to be in this sector have thus far successfully eluded encirclement. It is believed that the Japanese are not attempting to hold captured towns but are pressing forward as self contained units.

The Japanese drive from the Shayang Yokiakow section of the lower Han is advancing more slowly apparently holding a line of communication to Hankow. South of this column there is said to be about ten Chinese divisions and east of it on its rear another ten.

An authoritative Japanese source privately observed that if the Japanese capture Ichang and Shasi they will not attempt to retain them but will withdraw to their previous positions.

Sent to Chungking. Repeated to Peiping, Shanghai.

EMB

SPIKER

793.94/15922

F/FG

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of June 8, 1940, from the American Consul General at Hankow reads substantially as follows:

It seems that the Japanese troops which passed through Ichang and Siangyang are going toward the south in parallel columns coming together near Kinsmen. The Japanese are pushing onward as self-contained units and are not trying to hold captured towns, it is thought. On account of the rapidity with which they advance it is thought that thus far the new divisions of Chinese numbering more than ten which are said to be in this sector have been successful in keeping themselves from being surrounded. Slower progress is being made by the Japanese forces engaged in a drive from the Shayang Kokiakow section of the lower reaches of the Han River. Apparently these forces are holding a communication line to Hankow. To the east of this column on its rear there are said to be ten divisions of Chinese and about ten more divisions of Chinese to the south. An observation was made privately by a Japanese in an authoritative position to the effect that the Japanese will not try to hold Shensi and Ichang if they take these places but will retire to the positions which they previously held.

29C.
 FE:EC:MHP
 6/10/40

Kok.
 FE

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict.
Military-guerrilla activities.

793. 94 / 15923

For the original paper from which reference is taken

See #241 to Embassy
(Despatch, telegram, instruction, letter, etc.)

Dated May 6, 1940 From } Tsinan (Hawthorne)
To }

File No. 893.00 P.R. Tsinan/128

N

U. S. GOVERNMENT PRINTING OFFICE 1-1540

15923

793.94
a. Military-guerrilla operations.¹

While no unusual military activities were reported during the month, casualties among Japanese troops in this region appeared to be on the increase, and there were indications that the Chinese were preparing for an important offensive in Shantung. In this connection, and with reference to the Consulate's telegram to the Embassy of April 25, 4 p.m., a foreign commentator observed under date of April 30th that

"The guerrillas seem usually to be informed in advance, and when the attacks are launched they are safely in the hills, only to come forth again when danger is past. This long game of hide and seek has worn down Japanese thrusting power according to this interior opinion, and it is unanimous in its agreement that army morale has slumped and that the

elan

1. Cf. Consulate's telegrams to Embassy of April 11, 11 a. m., April 22, 4 p.m., April 24, 2 p.m., April 25, 4 p. m., April 26, 3 p.m. and May 1, 12 noon.

- 3 -

elan and enthusiasm which characterized the Japanese soldier in the early stages of the occupation disappeared long ago. Packages from home for the soldiers are seldom to be seen now and there has been a decided curtailment in allowances of extras in food and clothes. Worn uniforms are not so often replaced. The picnic and the adventure has turned to drudgery and burden, and the Japanese soldier is war weary.

"Into the fairly well balanced position between Japanese forces and guerrillas, and into their game of hide and seek, it is said may soon come large forces of Chinese regular troops, who are in different sections of the province awaiting the command to move into actionGuerrilla forces keep the Japanese on the qui vive, and nervously taut, while in the meantime these large concentrations are being held ready, it is said, for release in the final stages of the conflict. The Chungking Central Government is maintaining educational facilities, political organization and propaganda, collecting taxes and keeping up morale, even in sight of Japanese garrisons."

The Chinese appear to have taken effective steps to curtail the important revenue-producing salt trade between Yangkiokow and Tsinan via the Siaotsing River. Chinese sources state that, in addition to capturing a salt barge fleet escorted by a force of 200 Japanese and puppet troops, the Yangkiokow salt-producing district was being seriously threatened by the Chinese at the end of April.

Bandit suppression operations of the 8th Route Army troops gave rise to further Japanese reports of dissension among Chinese armed forces in Shantung. Meantime Chinese sources allege that Japanese troops in northern Shantung have resorted to looting.

A tremendous explosion rocked Tsinan on April 29th, in explanation of which it is reported that festivities incident to the celebration of the Mikado's birthday enabled Chinese agents to destroy important supplies of ammunition stored in the basement of the Japanese barracks. Chang Pu-yun's troops, which now dominate the area south of Fangtze and Tsoshan, made several raids on the Kiaotsai

Railway

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

- 4 -

Railway between those two places, wrecking a freight train and otherwise delaying traffic, while the Wen River bridge near Tawenkow on the Tainpu line was destroyed by fire on the night of April 30th, presumably by guerrillas who must necessarily have overpowered the Japanese detachment stationed there to guard it. Guerrillas are reported to have captured a Japanese contingent of five truck loads of troops near Tsinan on April 7th.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict.

Japanese military operations in Kwangsi. Report concerning --.

793.94 / 15924

For the original paper from which reference is taken

See #-
(Despatch, telegram, instruction, letter, etc.)

Dated May 7, 1940 From Canton (Myers)
To

File No. 893.00 P.R. Canton/147

N

15924

B. Relations with Other Countries:

1. Japan.

(a) Japanese Military Operations in Kwangsi:

793.94
During the early part of April Japanese columns continued operations, begun late in March, against Chinese forces west of the Nanning-Yamchow highway, the Japanese line of communications between Nanning and the sea. In the course of these operations the Japanese occupied a number of towns in Kwangsi including Szelo (思樂), Changsze (上思), Suilu (綏淥), Tsohsien (左縣) and Tungcheng (同正). It was reported that beginning April 8 the Japanese evacuated these towns, withdrawing to their original positions along the Nanning-Yamchow highway.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations.
Report concerning -, for month of April, 1940.

aa

For the original paper from which reference is taken

See # 4715.
(Despatch, telegram, instruction, letter, etc.)

Dated May 15, 1940 From | Japan (Grew).
To |

File No. 894.00 P.R. /149.

733.94 / 15925

15925

(b) China

1. Military operations.*

793.94
The only notable development in Japanese military operations during the month was a fairly large-scale campaign in southeastern Shansi. The object of the campaign was again to clean out Chinese troops from the area and possibly to occupy the southern part of Shansi along the Yellow River, and to hold the line of the river with adequate garrisons. Little military activity was reported as having occurred in other parts of China.

2. General relations.

In accordance with arrangements announced in March, General Abe, accompanied by a large delegation, left Japan in the middle of the month and proceeded to Nanking, for the purpose of tendering, as ambassador of Japan, felicitations to the Wang Ching-wei régime and negotiating "a basic adjustment of Sino-Japanese relations."**

There was some comment in the Japanese press on the failure of the Japanese to elect five members to the Municipal Council of the International Settlement at Shanghai in the election that was held there on April 12. In some quarters the election of only two Japanese was attributed to clever manipulation on the part of the British and also to the lack of Japanese experience in voting. Further difficulties were predicted for the future but the hope was expressed that the combined efforts of the Japanese would in the future improve the Japanese position in the Settlement.***

(c)

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

FROM

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

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

Tokyo

Dated June 10, 1940

Rec'd 8:12 a.m.

Secretary of State
Washington.

Division of
EASTERN AFFAIRS
JUN 10 1940
Department of State

428, June 10, 5 p.m.

Embassy's 401, June 3, 10 p.m. /15899

My British colleague has just sent me the following
information received from an official British source:

(begin paraphrase) One small merchant vessel was
reported by a steamer in Sama Bay on May 18th. It is also
confirmed that there is general inactivity in Hainan Straits.
(end of paraphrase)

GREW

DDM

793.94/15926

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

STRICTLY CONFIDENTIAL

(Confidential)

PARAPHRASE

A telegram of June 10, 1940, from the American Ambassador at Tokyo reads substantially as follows:

The American Ambassador has just been informed by the British Ambassador that reports of general inactivity in Hainan Straits have been confirmed and that a steamer which on May 18 was in Sama Bay reported the presence there of one small merchant ship. An official British source gave the above information to the British Ambassador.

8.9C
FE:EGC:JPS
6-11

Kok
FE

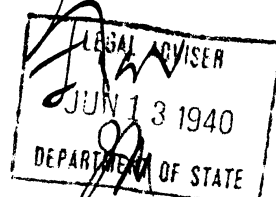
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

130

REB

TELEGRAM RECEIVED

GRAY



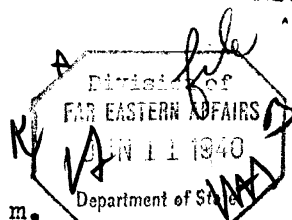
Hankow via N. R.

FROM

Dated June 10, 1940

Rec'd 1:25 p. m.

Secretary of State,
Washington.



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

June 11. E.J.L.

June 10, 11 a. m.

Representatives of the Japanese Army and Japanese Consulate General here called on an officer of this Consulate General at midnight Japanese time and stated that reconnaissance by Japanese planes showed concentration of Chinese military activity in immediate vicinity of third power vessels and properties at Ichang; that Japanese military authorities accordingly planned to bomb Ichang "sometime after midnight" and that they desired that American vessels and citizens at Ichang remove from that city to some safer place.

In reply the Japanese were informed that their last minute request concerning military operations which might start at any minute in Ichang was most surprising; that they had been fully informed as to the location of American properties afloat and ashore in Ichang and that as previously notified to them the last time on June 7 they would be expected to take every precaution to

safeguard

793.94/15927

F/FG

783.94

121

MP -2- June 10, 11 a. m., from Hankow

safeguard American lives and property wherever located. I have confirmed in writing such advices given by Vice Consul Davies and have made full reservations in respect to any harm suffered by American citizens or their properties.

American missions at Ichang have been requested to report result of bombing as affecting American lives and property.

Reports received from American sources in Ichang on June 7 show that city has been in state of alarm for some days in expectation of Japanese military operations and that all normal means of communication were cut as from the afternoon of June 7. On receipt such advices this office made immediate representations to the Japanese Consulate General looking to the protection of American interest.

Sent to Chungking, Peiping, Shanghai.

SPIKER

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

LEGAL ADVISER

JUN 17 1940

DEPARTMENT OF STATE

TELEGRAM RECEIVED

MP

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

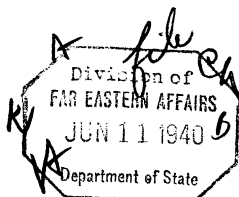
Hankow via N. R.

Dated June 10, 1940

Rec'd. 1:25 p. m.

Secretary of State,
Washington

June 10, noon.
My June 10, 11 a. m.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

June 11, 1940

In view of such situation in Ichang it is assumed
that foreigners resident there took precautions in
expectation of Japanese hostilities.

The only possible means of communication with
Ichang have been through the radios of the British
firms Jardine and Butterfield who have steamers at
Ichang but these communications are uncertain and made
only during certain daylight hours. Efforts made to
establish such communication with Ichang during the
night were unsuccessful. At 8 o'clock this morning
communications were established for a short time and
it was learned that Ichang had been bombed. No details
as to the effects of the bombing have yet been received
however. Any information received will be promptly
telegraphed.

Sent to Chungking, prepared to Peiping, Shanghai.

SPIKER

KLP

793.94/15928

F/FG

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

CONFIDENTIAL

(Confidential)

PARAPHRASE

A telegram of June 10, 1940, from the American Consul General at Hankow reads substantially as follows:

Considering the situation at Ichang, it is assumed that in anticipation of Japanese hostilities foreigners living at that place took precautions. The radios of the firms of Butterfield and Jardine (British) who have steamers at Ichang have been the only possible mediums for communicating with Ichang. These communications, however, are used during certain hours in the daytime only and are uncertain. It was learned during the short time at 8:00 a.m. on the morning of June 10 when communications were established that Ichang had been subjected to bombing. However, as yet no details have been received in regard to the effects of this bombing. Attempts to get in communication with Ichang during the night were without success.

29C,
 FE:EGC:JPS
 8-11

K.R.
 FE

FE

TELEGRAM RECEIVED

FROM

MP

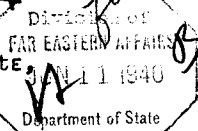
PLAIN

Chungking via N. R.

Dated June 11, 1940

Rec'd. 11:30 a. m.

Secretary of State,
Washington



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

June 11. EJR

254, June 11, 10 a. m.

Two squadrons of Japanese planes yesterday bombed Chungking and environs the first concentration on sub-urban areas west of the city and the latter on business and residential districts in the city. Casualties and property destruction appear to have been slight. American nationals and properties apparently escaped injury.

Repeated to Peiping, Hankow, Shanghai. Shanghai please mail Tokyo.

JOHNSON

CSB

JUN 13 1940
RECORDED

793.94/15929

F/FG

793.94

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

FE

TELEGRAM RECEIVED

FROM

JI

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

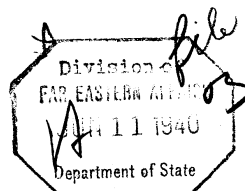
Peiping via N. R.

Dated June 11, 1940

Rec'd 11:30 a.m.

Secretary of State

Washington



191, June 11, 2 p.m. /1527

Hankow's June 10, 11 a.m. and June 10, noon /15928

to Chungking in regard to the military situation
at Ichang have been repeated to Tokyo.

Repeated to Chungking, Hankow and Shanghai.

SMYTH

WWC

793.94/15930

JUN 11 1940

TELEGRAM RECEIVED 132

EH

PLAIN

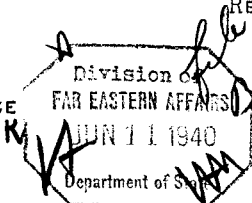
FROM

Chungking via N. R.

Dated June 11, 1940

Rec'd 12:16 p.m.

Secretary of State
Washington



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

June 11. E.J.L.

255, June 11, 8 p.m.

Four groups numbering more than one hundred Japanese planes today heavily bombed Chungking and environs including Kiangpei and the western suburbs. Considering the intensity of the attack it would appear that property damage largely restricted to the business and residential areas was not extensive. The number of casualties is not known but it would appear that thanks to the efficiency operated dugout system the figure was not high. The structure housing the Russian Embassy was shattered and damaged by bombs falling immediately adjacent to it but there were no casualties. The first squadron of planes flew directly over the American Embassy premises and the American gunboat and one bomb fell on open ground about three hundred yards from the Embassy.

A preliminary investigation indicates that American nationals and their properties escaped injury during the raids.

Recontacted to Peiping, Shanghai, Hankow. Shanghai please mail to Tokyo.

CSB

JOHNSON

793.94/15931

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

COPIES IN PARAPHRASE
SENT TO C.N.I. AND
M.I.D. IN CONFIDENCE

TELEGRAM RECEIVED

JT

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

AMOY VIA N.R.

FROM Dated June 11, 1940

Rec'd 11:50 a.m.

Secretary of State,
Washington.

June 11, 10 a.m.

793.94
A confidential informant in the Chinese customs has
told me that the Japanese naval authorities have notified
the customs that all lighthouses between Amoy and Hong
Kong must be refueled and provisioned before June 19
and also that the naval authorities will not permit the
customs lighthouse tender to proceed to Hong Kong for
overhaul.

There is a Japanese naval concentration at and near
to Amoy. Naval vessels now in Amoy harbor are: one
heavy cruiser (flagship of the Japanese South China
fleet) and one large battle cruiser. A number of
destroyers are reported to be anchored in small bays
along the coast north of Amoy.

From information gathered by my informant, it appears
that the Japanese navy plan an important action either
between here and Hong Kong or further south on or about
June 19.

Sent to Peiping. Repeated to Chungking, Shanghai
and

793.94/15932

F/FG

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

-2- #-, June 11, 10 a.m., from Amoy

and Hong Kong. Shanghai please transmit to Commander-
in-Chief Asiatic Fleet. Hong Kong please inform Commander
South China Patrol.

MACVITTY

DDM

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

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of June 11, 1940, from the American Consul at Amoy reads substantially as follows:

At Amoy and in its vicinity there is a concentration of Japanese naval vessels. It is reported that along the coast to the north of Amoy a number of destroyers are anchored in small bays. One large battle cruiser and one heavy cruiser which is the flagship of Japan's South China fleet are in the harbor of Amoy at the present time. It seems from information gathered by a person in the Chinese Customs Service that an important action, to take place on or about June 19 between Amoy and Hong Kong or farther south, is planned by the Japanese Navy. According to confidential information received from this informant, the Chinese Customs has been notified by Japanese naval authorities that the customs lighthouse tender will not be allowed to go to Hong Kong for overhauling and that all lighthouses between Hong Kong and Amoy must be supplied with provisions and fuel before June 19.

89C
 FE:EGC:MHP
 6/12/40

FE

HSM

PLAIN
TELEGRAM RECEIVED

Peiping via N. R.

Dated June 12, 1940

Rec'd 5:03 a. m.

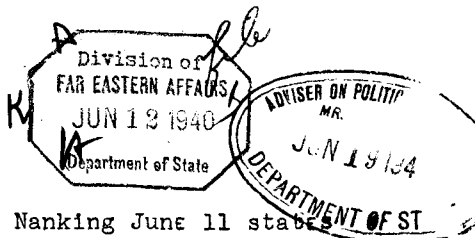
COPIES SENT TO
O.N.I. AND M.I.D.

FROM

June 12 1940
Secretary of State,

Washington.

193, June 12, 3 p. m.



A Domei press report dated Nanking June 11 states that "the Japanese army and naval authorities in China have decided to tighten control over acts or utterances injurious to public peace and the economic situation and therefore liable to obstruct the execution of the holy war according to a joint statement issued today by the general headquarters of the Japanese expeditionary forces in China and the Japanese fleet in China waters". The joint statement listed eight actions which would be subject to "strict measures of punishment".

The press section of the Japanese North China Army yesterday issued a statement here on the subject which declared in part that "the North China Army some time ago straightened its measures of control over undesirable elements among local Japanese residents. Now the headquarters of the Japanese expeditionary forces in China with the intention of ensuring achievements of the ultimate objectives

793.94/15933

F/EG

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

hsm -2- No. 193, June 12, 3 p. m., from Peiping

objectives of the China affair have formulated a new set of military regulations by dint of which it has been promulgated that those who irrespective of nationality resort to acts liable to obstruct execution of Japanese military operations in Japanese-occupied areas shall be subject to strict measures of punishment". The statement continued that "it is with the intention of extending due protection to those who are ready positively to cooperate with the authorities in the execution of Japanese national policies at the same time subjecting to strict measures of punishment those who are liable to obstruct it that the new set of military regulations has been formulated."

Repeated to Chungking, Nanking, Shanghai. By air mail to Tokyo.

SMYTH

EMB

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

TELEGRAM RECEIVED

OK

GRAY

Nanking via N.R.

FROM

Dated June 12, 1940

Rec'd 4:51 p.m.

Secretary of State

Washington

56, June 12, 6

Japanese consular officers in charge at various posts in China and at Hong Kong have been in conference here with General Abe and his staff for the past two days. According to local Japanese and other sources, from whom it has not been possible, however, to obtain detailed information concerning the conference, General Abe outlined his instructions at the first meeting and explained the Japanese Government's policies regarding the readjustment of Sino-Japanese relations. At subsequent meetings reports were submitted by various consular officers in regard to political and economic conditions in their respective districts. Particular attention is understood to have been given to the question of economic cooperation between Japan and the various Japanese-sponsored regimes in north, Central and South China. Japanese militarism and naval representatives were present at some of the meetings and

participated

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

June 13, 1940

793.94/15934

F/FG

793.94

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-#56, June 12, 6 p.m. from Nanking via N.R.
participated in the discussions.

Repeated to Chungking, Peiping and Shanghai. By
mail to Tokyo.

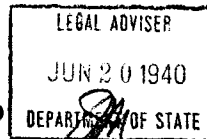
STANTON

EMB

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

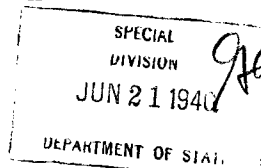
133

TELEGRAM RECEIVED



CK

PLAIN



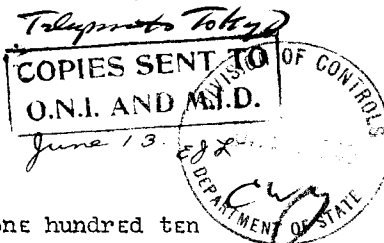
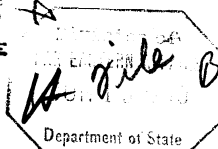
FROM

Chungking via N.R.

Dated June 12, 1940

Rec'd 7:32 p.m.

Secretary of State
Washington



257, June 12, 9 p.m.

Four groups comprising about one hundred ten Japanese planes today intensively and indiscriminately bombed Chungking concentrating their main attacks on the lower main business section of the city. Casualties among the civil populace probably will number several hundred. Property damage largely confined to commercial and residential structures appears to be the heaviest sustained in attacks on Chungking since the raid of May 4, 1939. All American nationals are believed to be safe. Various buildings of the American Methodist Mission including a church sustained damage from the concussion of nearby bombs, a detailed report of which will be submitted later. Although two groups of Japanese bombers flew almost directly over the American Embassy premises no (repeat no) bombs fell in the immediate vicinity thereof.

Repeated to Peiping, Hankow, Shanghai. Shanghai please repeat to Tokyo.

JOHNSON

CSB

793.94/15935

F/FG

JUN 24 1940

1939d
793.94/116
393.1163MSK

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

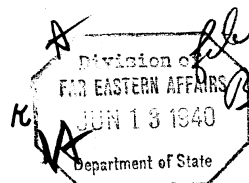
HSM
This telegram must be
closely paraphrased
before being communi-
cated to anyone. (Br.)

Hankow via N. R.

Dated June 12, 1940

Rec'd 9:08 a. m., 13th

Secretary of State,
Washington.



6/13
Shaw
Ond and
M.D.
KCK

June 12, 10 a. m.

793.94
Reference my June 10, 11 a. m., foreign source on
steamer at Ichang reports Japanese entered city at
7 o'clock last night. City had been heavily bombed on
June 8 and 9. Report contains no reference to indicate
foreigners not safe. No reply from American missions but
this probably due to lack of communication between foreign
vessel receiving my inquiry and the shore.

Sent to Chungking. Repeated to Peiping and Shanghai.
Shanghai please repeat to Tokyo.

SPIKER

DDM

JUN 13 1940
FILED

793.94/15936

F/FG



No. 551

EMBASSY OF THE
UNITED STATES OF AMERICA
Chungking, May 29, 1940

Subject: Continued Japanese Bombing Activity
in Szechuan.

AIR MAIL

1940 JUN 13 AM 10 57

DIVISION OF
COMMUNICATIONS
AND RECORDS

COMMERCIAL AFFAIRS
Department of State

JUN 17 1940

DIVISION OF
COMMUNICATIONS
AND RECORDS

For Distribution-Check		Yes	No
Grade			
For			
		ON 1	

MID
9/3

JUL 16 1940

793.94/15937

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to my despatch no. 540, May 22, 1940 and to my telegram no. 232, May 28, 7 p.m. supplying certain data in regard to the resumption of Japanese aerial attacks in the Province of Szechuan; and to report that further daily attacks have occurred in Chungking and vicinity from May 26, 1940.

On May 26 and 27, 1940, Japanese planes bombed the so-called industrial areas to the west of Chungking proper including the Kialing River and the Chengtu Highway districts. It is possible, too, that military airdromes in the same general areas were bombed during these raids, but the Embassy has no reliable information on that score. Observers visiting the bombed industrial areas report that property losses were negligible: a partially completed motor repair shop of the Ministry

of

F/FG

13

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

AIR MAIL

- 2 -

of Communications was damaged; the roof of an uncompleted cotton mill was destroyed; and two buildings of the Fu Tan School were demolished. Casualties in these areas are reported to have totalled about 800, however, many people, chiefly civilians, being killed and injured in native boats and in the open along the highway. These same industrial areas were again subjected to bombardment on May 29, 1940, but the results of this latest attack are not yet known.

As was reported in my telegram no 232, May 28, 7 p.m., Japanese planes on May 28, 1940, for the first time since July 1939, dropped bombs in certain business and residential areas of Chungking. It is not clear what may have been the objects of the attacks; but an inspection of the bombed areas failed to reveal objects of a military character. Property damage was negligible, being confined largely to destruction of shop and residential buildings and native huts. The latest reports indicate that casualties among the civilian populace totalled about 500 persons, as a result of this raid on the city. It is perhaps noteworthy that the area in the immediate vicinity of the Russian Embassy was heavily bombed in the attack conducted by the first squadron of planes, but it is possible that the Japanese were aiming at the commercial air field which is nearby. The oil installation of the Standard-Vacuum Oil Company, which is located on the opposite side of the Yangtze River from the commercial air field, was in the line of this attack, but it appears that no bombs fell nearer than five hundred yards to the installation.

A second squadron of Japanese planes dropped bombs on the left bank of the Kialing River in the suburb known as Kiangpei. This squadron of planes flew almost directly over the U.S.S. TUTUILA and the Embassy premises, dropping single bomb in the Yangtze River about 400 yards from the American gunboat. The bomb fell near the left bank of the river and perhaps 100 yards downstream from the ship.

Fortunately, all American nationals in Chungking, which now number about seventy-five, escaped injury; and it appears that no American property was damaged or destroyed in the attacks.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Original (by air mail) and four copies to the Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo

711.6/710
EFD:HHK

4 Copies sent air mail to Hong Kong,
thence by ordinary post to destination.

134

TELEGRAM RECEIVED

JT

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

CHUNGKING VIA N.R.

Dated June 13, 1940

FROM

Rec'd 3:38 p.m.

Secretary of State,
Washington.

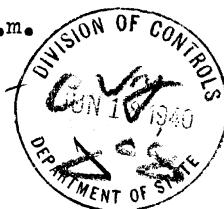
259, June 13, 10 p.m.

Incredible as it may be I am forced to conviction
by what I have observed during the past few days that
General Itagaki has embarked upon an effort to demolish
city of Chungking by using light and heavy demolition
bombs indiscriminately scattered throughout business
and residential areas. I saw yesterday a cartoon roughly
done in color and said to have been dropped from
Japanese planes showing in upper half Chungking in flames
with bombs falling and streets strewn with dead men and
women and lower half showing what purported to be
Nanking, a city in peace and light.

Repeated to Peiping, Shanghai, Peiping please
repeat to Tokyo.

JOHNSON

HTM



793.94/15938

F/F G

TELEGRAM RECEIVED

CK

FROM

GRAY & PLAIN

Peiping via N.R.

Dated June 13, 1940

Rec'd 7:31 p.m.

Secretary of State

Washington

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

June 14. 882

196, June 13, 3 p.m.

Peiping's 193, June 12, 3 p.m., Japanese army
proclamation.

An editorial in the TWO SHIMPO (Peiping Japanese language daily) concerning the proclamation exhorts the Japanese to greater efforts and self discipline for the building of a new order in East Asia and contains the following statements as translated by this office:

"Moreover there is an important meaning to the fact that the military discipline which crystallizes the lofty ideas of new Asia is applied not only to Japanese but also to nations of other countries in occupied areas. It goes without saying that persons in military occupied territory are regardless of nationality subject to military discipline. And when we consider that the present proclamation informs third power nationals of the nature of the new order in East Asia and puts a stop to their present mistaken attitude of subjugation of and supremacy

OVER

793.94 / 15939

JUN 17 1940

F/EG

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Gustafson NARS, Date 13-18-75

-2-#196, June 13, 3 p.m. from Peiping via N.R.

over Orientals and the Orient we cannot but feel a great satisfaction. And when we ^{REMEMBER} that Americans, Europeans, flaunting in the occupied areas the remnants of an unjust extraterritoriality taken from China in the past have on numerous occasions wilfully perpetrated unfriendly acts of value to the enemy, disturbed the peace and obstructed the conduct of hostilities. We have great expectations in the important effects of the present proclamation."

Repeated to Chungking, Shanghai and Nanking. By air mail to Tokyo.

SMYTH

EMB

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

001070

HSM

GRAY

FROM

Tokyo

Dated June 14, 1940

Rec'd 10:50 a. m.

Secretary of State, *A*

Washington.

RUSH

450, June 14, 7 p. m.

*Tel. to Tokyo
June 14
E.J.V.*

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

June 14 E.J.V.

Following is our translation of a note which has just been received from the Foreign Office:

"Excellency: For some time past the air forces of the Imperial Army and navy have been attacking enemy forces and establishments in and around Chungking. It is planned to increase hereafter the severity of these attacks. In the city of Chungking there are American citizens and American interests to which the Imperial forces are endeavoring by every means to prevent injury. It is an incontrovertible fact, however, that the Chinese forces frequently approach third country establishments and construct anti-aircraft gun emplacements and other military facilities. For this reason, it is feared that in spite of the extreme care exercised by the Imperial forces, in the midst of severe fighting it will not be possible to prevent unavoidable incidents affecting American citizens and establishments.

The

793.94/15940

F/FG

793.94

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

HSM -2- No. 450, June 14, 7 p. m., from Tokyo

The Japanese Government urges, accordingly, that the American Government take prompt measures to evacuate to a safe place temporarily until the termination of our bombardment on Chungking, American officials and citizens. The Japanese Government does not intend to attack the areas southward from Tangtzesih on the south bank of the Yangtze River facing the city of Chungking to Lungmen-lao (not including Haitongchi). The Japanese Government cannot however accept responsibility should unforeseen circumstances arise if American officials and nationals remain in areas other than those mentioned above. Hachiro Arita, Minister for Foreign Affairs. Seal."

Repeated to Shanghai for Chungking and Peiping.

GREW

RR

0335

DECLASSIFIED: E.O. 11652, 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: -

001071

Gray

PREPARING OFFICE
 WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE ☒
 PARTIAL PLAIN

Collect ☐ Full rate
☐ Day letter
☐ Night letter

Department of State

Gray

Charge Department:

Washington,

Full rate
 Day letter
 Night letter

June 14, 1940.

Charge to AMEMBASSY,

7 p.m.

\$ TOKYO (JAPAN).

RUSH. *202*

Your 450, June 14, 7 p.m.

One. Please call immediately *on the Minister for Foreign* ~~at the Foreign Office~~ Affairs

m.m.A. and hand to ~~the Minister for Foreign Affairs~~ *him* a formal note with language in effect as follows:

Mr. Arita's note was translated and brought to your attention after your meeting with him the afternoon of June 14 and it is of course obvious that it was prepared prior to the representations in regard to the indiscriminate bombing of Chungking which you made to him at that time. The attitude and position of the Government of the United States in regard to warnings such as that conveyed in Mr. Arita's note have been made on several occasions clear to the Japanese Government. The Government of the United States cannot accept the view that the city of Chungking in general is a legitimate target for air attack.

There are a considerable number of American citizens at Chungking and there is American property at Chungking.

The Government of the United States maintains there an

Enciphered by _____

Sent by operator _____ M., _____, 19____

793. 94 / 15940

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

001072

PREPARING OFFICE
 WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE
 PARTAIR
 PLAIN

Collect { Full rate
 Day letter
 Night letter

Department of State

Charge Department:

Full rate
 Day letter
 Night letter

-2-

Washington,

Charge to
 \$

office of its Embassy to China and a gunboat, the
 U.S.S. Tutuila. The American citizens at Chungking are
 there pursuing legitimate activities. The American
 officials stationed at Chungking, including the American
 Ambassador to China, are there pursuant to their official
 duties in maintaining the diplomatic relations of the
 United States with China. Notwithstanding the fact
 that Mr. Arita's note indicates that the Japanese Govern-
 ment does not intend to attack certain areas on the south
 bank of the Yangtze River in which areas the American
 Embassy is situated, experience of Japanese bombing oper-
 ations has amply demonstrated the fact that when any
 extensive area is subjected to attack there results
 serious hazard to the lives of all persons in the vicinity,
 with oftentimes injury to many persons. While American
 officials have consistently advised and will continue
 to advise American nationals to withdraw from areas in
 which special danger exists, such American nationals
 are under no obligation to do so and in some cases find
 withdrawal impossible. Accordingly, this Government
 looks to the Japanese Government to avoid any military
 operations which would imperil the safety of American

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 D. Gustafson NARS, Date 12-18-75

PREPARING OFFICE
WILL INDICATE WHETHER
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Day letter
Night letter

TELEGRAM SENT

001073

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTAIR
PLAIN

Department of State

-3-

Washington.

Charge to \$ nationals and property at Chungking and will expect to hold the Japanese Government responsible for any injury or loss to American nationals occasioned by acts of Japanese armed forces.

Two. It is suggested that you supplement the note with oral representations and that, in the course of those representations, you bring to Mr. Arita's attention the obvious fact that the injuring or killing of American nationals by Japanese bombing operations will have a deplorable effect on relations between the United States and Japan.

True

793.94/15940

GA
FE:GA:JPS

JPD
FE
my. 11/1

PA/H

W e
Min

Enciphered by _____

Sent by operator _____ M., _____, 19____

0338

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

001074

PREPARING OFFICE
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TELEGRAM SENT

TO BE TRANSMITTED
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 PARTAIR
 PLAIN

Collect { Full rate
 Day letter
 Night letter

Department of State

Charge Department:

Full rate
 Day letter
 Night letter

Washington,

June 14, 1940.

Charge to

\$ AMEMBASSY,

CHUNGKING (CHINA). *via NR*

INFO: AMEMBASSY, PEIPING (CHINA).
 AMERICAN CONSUL, SHANGHAI (CHINA).

94

There is quoted for your information a telegram
 which the Department is sending to the Embassy at
 Tokyo, reading as follows: QUOTE ~~Telegraph Section:~~
(See no. 202, 6-14-7 p.m. to Tokyo)
 Please insert here the full text of the attached
 telegram to Tokyo. UNQUOTE

Sent to Chungking. Repeated to Peiping and
 Shanghai.

Three

793.94/15940

793.94/15940

FE:MMH:JPS

6A FE

Enciphered by _____

Sent by operator _____ M., 19____

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

001075

PREPARING OFFICE
WILL INDICATE WHETHER

TELEGRAM SENT

TO BE TRANSMITTED
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NONCONFIDENTIAL CODE
PARTIAL
PLAIN

Collect { Full rate
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Night letter

Department of State

Charge Department:

Full rate
Day letter
Night letter

Charge to
\$

Washington,

June 13, 1940.

5 pm

AMEMBASSY,

TOKYO (JAPAN).

RUSH. 197

I desire that you, with appropriate reference to ~~recent~~ ^{previous} representations which you have made on the subject of the bombing of Chungking, bring to the personal attention of the Minister for Foreign Affairs ^{as soon as possible} a statement which I ~~have~~ issued to the press on June 13 reading as follows:

QUOTE In response to inquiries from correspondents in regard to reports of the bombing of Chungking yesterday, the Secretary of State said that according to information which has reached the Department from official and unofficial sources, Chungking has been extensively bombed on each of several recent days and yesterday was intensively and indiscriminately bombed by more than one hundred Japanese planes; that yesterday's casualties among the civil populace will probably number several hundred; that various buildings of the American Methodist Mission, including a church, were damaged by concussion; and that two groups of Japanese planes flew over the American Embassy premises but no bombs fell in

Enciphered by _____

Sent by operator _____ M., _____, 19____

793.94/15940A

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

001076

PREPARING OFFICE
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Charge Department:
Full rate
Day letter
Night letter

Charge to
\$

TELEGRAM SENT

Department of State

TO BE TRANSMITTED
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PARTAIR
PLAIN

- 2 - Washington,

the immediate vicinity of the Embassy. The Secretary added
that the attitude and the position of the people and the
Government of the United States toward ruthless bombings of
civilian populations have been made abundantly and frequently
clear, and that we wholeheartedly condemn such practices
wherever and whenever they occur UNQUOTE.

Drue

AA
JUN 18 1946

FE:MMH:REK

gub
FE
3/27/4

PA/H
8244

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. Gustafson NARS, Date 12-18-75

001077

FE

TELEGRAM RECEIVED

-- PAP

FROM

GRAY

TOKYO

Dated June 14, 1940

Rec'd 10:05 a.m.

Secretary of State

Washington

RUSH

451, June 14, 8 p.m.

Department's 197/15940 a June 12, 5 p.m.

When your telegram came at 3 o'clock this afternoon the Foreign Minister was absent but I saw him immediately on his return to his residence and carried out your instructions with emphasis and with appropriate reference to previous representations which we have made on the subject of the bombing of Chungking.

The Minister replied that he invariably passed our representations on to the military authorities whose reports generally showed discrepancies with our own reports. With regard to Chungking the military authorities maintain that they exercise the utmost care and that they attack only military objectives. I replied that their indiscriminate bombing of civilian populations is not a matter of speculation but of fully confirmed fact. I thereupon reread to the Minister pertinent portions of Ambassador Johnson's 438, July 13, noon, 1939, which had already been brought

to

793.94/15941

F/FG

001078

PAP -2- 451, June 14, 8 p.m. from Tokyo

to his attention. On June 2 I spoke as on my own initiative
of the serious risks that are being incurred.

The Foreign Office note on this subject cabled in
our 450, ¹⁵⁹⁴⁰ June 14, 7 p.m. was translated and brought to
my attention after (repeat after) my meeting with Mr.
Arita.

Repeated to Shanghai. Shanghai please repeat to
Chungking.

GREW

TFV

DECLASSIFIED: E.O. 11652, 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
JUL 12 1940
DEPARTMENT OF STATE
PLAIN

Nanking via N.R. *File*

Dated June 14, 1940

Rec'd 11:08 a.m.

Tokyo to Tokyo

ADVISED ON POLITIC
MR.
JUN 18 1940
DEPARTMENT OF STATE

Secretary of State

Washington

58, June 14.

Peiping's 100, June 12, 3 p.m.

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

June 14. 82

Following is this office's translation of proclamation issued jointly by Japanese army and navy headquarters in China. Proclamation is prefaced by statement to the effect that "for the purpose of enabling soldiers and civilians in the areas of military activities thoroughly to put into practice the true ideas motivating the present hostilities the Japanese army and navy have drawn up the necessary military regulations"; that civilians, no matter whether they are Chinese, Japanese or nationals of third powers, who violate the regulations, shall be punished by imprisonment, fines or confiscation of property; that although similar proclamations have been issued in the past there have been activities calculated "directly or indirectly to obstruct the completion of the task of the hostilities"; and that therefore the present regulations have been issued which have as their "chief aim the guiding of the minds of the people".

"Proclamation.

793.94/15942

F/FG

HA -2- tel # 58, June 14 from Nanking.

"Proclamation. In the areas of military activities those who are found to be disturbing public order and endangering the interest of the troops as mentioned in the following categories shall be punished according to military regulations. One. Those who criticize the fixed policy of Japan. Two. Those who give lectures, meetings, publish books and periodicals and show motion pictures which are calculated to disturb the thoughts of soldiers and the minds of the people. Three. Those who interfere with the work of pacification, propaganda and peace and order and engage in activities which are liable to obstruct the work mentioned above. Four. Those who unreasonably disobey the orders of arrangements of the authorities for the enforcement of emergency precautions or the practice of such measures. Five. Those who make slanderous attacks on the troops. Six. Those who forge the seals of military or civil offices as well as the names of army or navy officers. Seven. Those who work in Chinese Government offices, schools or other organizations and the advisors and employees of the army or the various enterprises of the China Affairs Board, who, taking advantage of their position, agree to illegal requests, or receive demand or take over control of properties or other interests and all those who work
in

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

MA -3- tel # 58, June 14 from Nanking

in conjunction with the persons mentioned above.

Eight. Those who instigate and stir up the minds of the people, disturb order, monopolize finances and those who carry on activities which may lead to the commitment of the above mentioned misconduct".

Repeated to Chungking, Peiping and Shanghai. By mail to Tokyo.

STANTON

TFV

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

JUL 12 1940

July 11, 1940.

DIVISION OF

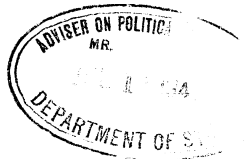
PA/H/
Mr. Hornbeck

You will recall that, when the attached draft telegram to Tokyo was first presented to you, you discussed the case with me and raised some questions as to the advisability and desirability of sending the telegram. You later initialed the draft and I sent it forward to Le. Upon thinking over your remarks, I called back the telegram from Le. On June 25 I discussed the draft with you again and we agreed to hold it in abeyance for a time.

I recommend that the draft be not sent. If and as Japanese in China attempt to exercise jurisdiction over American nationals, we can consider making representations in the light of the circumstances in any such case or cases.

793.94/15942

FE:MMH:HES *gms*



DECLASSIFIED: E.O. 11652, 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 17, 1940

~~JWB~~
~~MHP~~

~~PS/H~~

Reference Nanking's telegram no. 58, June 14, in regard to a proclamation issued jointly by Japanese army and navy headquarters in China on the subject of jurisdiction over civilians, whether Chinese, Japanese, or nationals of third powers.

In former approaches made to the Japanese authorities on the subject of the exemption of American nationals from Japanese jurisdiction in China, the bases for such approaches were merely oral statements reported in newspapers to have been made by a Japanese Embassy spokesman. The matter was treated somewhat casually and the Ambassador was instructed to bring it up on the occasion of his next call upon the Japanese Minister for Foreign Affairs.

In the case under consideration, however, our approach is based upon a written proclamation issued jointly by the Japanese army and navy headquarters in China. For this reason it would seem appropriate for the Embassy at Tokyo to make a special approach to the Japanese Foreign Office in regard to the matter.

793.94/15942

~~VMA~~
FE:Adams:MHP

DECLASSIFIED: E.O. 11652, 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
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TO BE TRANSMITTED
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 PARTIAL
 PLAIN

Department of State

Collect { Full rate
 Day letter
 Night letter

Charge, Department:

Full rate
 Day letter
 Night letter

Charge to
 \$

AMEMBASSY,

Gray
 Washington,
 June 18, 1940

TOKYO (JAPAN) VIA PEIPING (CHINA).

INFO: AMEMBASSY, CHUNGKING (CHINA).
 AMERICAN CONSUL, SHANGHAI (CHINA).
 AMERICAN CONSUL, NANKING (CHINA).

Nanking's 58, June 14, which Peiping is hereby
 requested to telegraph to you.

Unless you perceive objection, please bring to the
 attention of the Japanese Foreign Office in such manner
 as you may deem appropriate the proclamation described
 in the telegram under reference and say that the Govern-
 ment of the United States would not be able to recognize
 or give countenance to any attempt on the part of Japanese
 agencies to exercise jurisdiction over American citizens
 in China. Request that, in order to avoid any possi-
 bility of misunderstanding, the Japanese Government
 issue clear and precise instructions to its armed forces
 in China in regard to the matter. The Department sug-
 gests that in your approach you may wish to refer to
 the representations made by you on June 27, 1938, and
 reported to the Department in your 416, June 27, 2 p.m.

Sent to Tokyo via Peiping. Repeated to Chungking,

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 D. Gustafson NARS, Date 12-18-75

PREPARING OFFICE
WILL INDICATE WHETHER

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PLAIN

Collect { Full rate
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Night letter

Department of State

Charge Department:

Full rate
Day letter
Night letter

-2-

Washington.

Charge to
\$.

Shanghai and Nanking.

793.94/15942

FE:WAA:MHP

FE

PA/H

Le

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 D. Quisenberry NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

June 20, 1940

~~ROM~~
MHP

Hankow's despatch no. 141,
April 30, 1940, entitled "The
Practice of Politics in the
Japanese-Occupied Areas of Central
China".

Note summary on page 1 of Han-
kow's despatch no. 72, April 30,
1940.

793.94/15943

~~VMA~~
FE:Adams:MHP

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

No. 141.

AMERICAN CONSULATE GENERAL,

Hankow, China, April 30, 1940.

Subject: The Practice of Politics in
the Japanese-Occupied Areas
of Central China.

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DEPARTMENT OF STATE
JUN 14 PM 1 42
DIVISION OF
COMMUNICATIONS
AND RELATIONS

HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

For Distribution Check

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In U.S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

10 NT. 4 M 100

1940 JUN 14 PM 1 42

Sir:

I have the honor to enclose, in quintuplicate,
a copy of the Consulate General's despatch No. 72,
April 30, 1940, to the Embassy at Chungking on the
above entitled subject.

Respectfully yours,

C. J. Spiker

C. J. Spiker
American Consul General

Enclosure:

1. Copy of despatch No. 72, April 30, 1940,
of the Consulate General, Hankow, to
Embassy, Chungking.

Original and 4 copies.

800

JD/MRE

JUN 24 1940

RECORDED

793.94/15943

F/FG/5743

COMMERCIAL AFFAIRS
Department of State

JUN 21 1940

DIVISION OF
COMMUNICATIONS
AND RELATIONS

No. 72

AMERICAN CONSULATE GENERAL

Hankow, China, April 30, 1940.

Subject: The Practice of Politics in the
Japanese-Occupied Areas of
Central China.

The Honorable Nelson T. Johnson,
American Ambassador,
Chungking.

Sir:

I have the honor to submit below comments on the
political situation in Central China as viewed during
the first quarter of 1940.

Summary:

Factional rivalry among the opportunists who
compose the majority of officials in Central China's
Japanese-controlled regimes is the outstanding
characteristic of politics in this district. The
Japanese Special Service Sections have apparently not
been adverse to this intrigue as they are thus able
to play off one Chinese group against another. Most
recently concessions have been made to the Nanking
regime but not to the extent of control over
politically important "national revenue". Central
China remains semi-autonomous.

Background:

The Wuhan Special Municipality was inaugurated on
April 20, 1939. The Hupeh Provincial Government was
established on November 5, 1939.

It would be tedious and serve no useful purpose
to recount in detail the genesis of these two Japanese-
created regimes. This office submitted shortly after

Japanese

-2-

Japanese occupation of the Wuhan cities a despatch* on the formation of the first puppet administration in Hankow. Subsequent political machinations by the Japanese Army and Navy Special Service Sections have simply been a pretentious development of the initial manoeuvres.

The so-called Board of Counselors (參議府), however, is deserving of special comment. This organization inaugurated on November 15, 1939, nominally assumes many of the functions of a strongly centralized national government. It defines, in accordance with the instructions of the Japanese military politicians, the jurisdiction of the provincial and municipal administrations, it passes on provincial and municipal budgets; it acts as a puppet legislature; it collects taxes formerly considered national levies. Ten Counselors compose the board, five appointed by the Provincial Government and five by the Municipality.

That the Board of Counselors continued to flourish and usurp in this area the shadowy authority of Mr. Wang Ching-wei's regime after its establishment at Nanking was indicative of the attitude of the Japanese toward an extension of Wang's unsubstantial power in this direction. Pressure from the higher Japanese officials seems only very recently, after General Abe's arrival in Nanking, to be calculated to give Mr. Wang's government more "face". The Board of Counselors, it has been announced in the local press, is to be dissolved immediately "in order to support the Central Government". **

It

* Hankow's despatch No. 571 to the Embassy (No. 529 to the Department), November 26, 1938, Wuhan Peace Maintenance Society Established.

** WUHAN PAO, April 30, 1940, Chinese language daily issued by the Japanese Army Special Service Section.

-3-

It is, however, the interplay of personalities and personal cliques and not the formal functioning of the Japanese-controlled regimes which shapes political developments. An examination of these factions and personalities follows.

Rivalry Among Japanese Political Manipulators:

Were it not for jealousy and friction among the several Japanese services, there might conceivably be somewhat less rivalry among the various puppet cliques. Evidence of this conflict among the Japanese authorities is therefore first commented on.

Differences of opinion between the officers of the Navy and Army Special Service Sections are not difficult to understand. Such differences are known to have taken active form here on several occasions. For example, the Navy so successfully obstructed Army plans for a "spontaneous" Chinese demonstration against the British in August, 1939, that the Army Special Service Section was compelled to cancel the parades.* Friction between Army Headquarters and the Army Special Service Section was reported to have been pronounced during the latter part of July and early August 1939 when Lieutenant General Okamura, field commander of Japanese forces in the Middle Yangtze Valley, by appointing Wang Hsin (汪 森) to the post of Wuchang District Magistrate, usurped political functions properly within the sphere of Major General Shibayama, then newly arrived Chief of the Army Special Service Section.

The Gendarmerie and the Army Special Service Section are said to have disagreed sharply over the
arrest

* Hankow's Political Report for August, 1939, page 7.

-4-

arrest of certain Chinese officials at Wuchang early in June, 1939. The former arrested the officials; the Special Service Section demanded their release to the Special Service Section. The Gendarmerie refused and retained custody of the men. The Gendarmerie is also understood to have come into conflict with the Navy Special Service Section recently over the control of Chinese river traffic.

Such instances of minor friction, jealousy and divergencies in policy, naturally, impair efficiency and play into the hands of Chinese officials of the local Japanese regimes. It would be illusory, however, to suppose that the fundamental unity of the Japanese services in this area is impaired thereby.

Rivalry Among Chinese Officials:

There is among the Chinese officials of the Japanese-created regimes in this area little of the basic unity of principle which characterizes the Japanese. The only element of cohesion among the puppet officials is to be found within the various competing factions. The leading Chinese functionaries working for the Japanese have formed organizations around themselves designed to further their personal advancement and persuade their Japanese masters of their missionary zeal for the New Order. The several cliques are each an instrument for the realization of the ambitions of their leaders.

Chinese Factions:

The basic division is between incumbent Chinese officials and Mr. Wang Ching-wei's henchmen seeking to supplant

-5-

supplant them. Hupeh provincial and Wuhan municipal officials frankly admit being strongly opposed to an extension of Mr. Wang's control to this area.

Mr. Wang's organization here is the so-called Orthodox Kuomintang Hankow Party Headquarters. Party activities are hampered by opposition from the local Japanese Army Special Service Section and its Chinese political led-captains. Striking evidence of this occurred during Mr. Wang's visit to Hankow, April 17-18. He is reported by several reliable sources to have expressed to his Japanese guardians a desire to inspect his party headquarters here. The Japanese are said to have stated that if unfortunately he insisted on his doing so, they could not be responsible for his safety. Mr. Wang did not inspect his party headquarters here.

One of the first groups to be formed following the arrival of the present Mayor was a Society for the Study of the Extension of Elegance (廣雅學會). It is a clique in which the Mayor, Mr. Chang Jen-li (張仁麟), and a Mr. Lei Shou-jung (雷壽榮) are leaders. The Society pretends to be a revival of the Ching Dynasty association of the same name organized by the Mayor's father, the distinguished Viceroy, Chang Chih-tung.

Possibly to offset the strength of the Mayor's study group, the Japanese Army Special Service Section is understood to have ordered the Governor, Mr. Ho Pei-jung (何佩瑤), to form a New Republican Party (新共和黨). This party is apparently to follow the general pattern of North China's Hsin Min Hui. The Mayor was excluded from participation in the preparatory conferences during late February and early March. Out of deference to the establishment

-6-

establishment of the Wang Ching-wei regime at Nanking, symbolic of a united new China, the birth of the New Republican Party has been postponed.

Mr. Lei Shou-jung early in 1939 was active in the formation of a Wuhan Youth Association (武漢青年協會). This body is under the direction of Mr. Lei and has the support of the Mayor.

The Wuhan Political Association (武漢政治會) is a group dominated by the Governor and operates to extend the influence of Mr. Ho and his retinue.

Before the death of Marshal Wu Pei-fu, the National Salvation Through Peace Association (和平救國會) was active in the Wuhan cities. This organization was composed of a group of Wu's followers seeking influence and rewards from the Japanese so long as there was hope of the Marshal emerging from retirement to work with the Japanese.

The Japanese Navy Special Service Section sponsored a Revival Party (復興黨) which, the naval authorities were led to believe, had a large following. The organization, at least so far as the Wuhan area is concerned, has been disbanded due to the rumored discovery by the navy that the subsidies which they believed were purchasing the loyalty of thousands were in reality contributing to the enthusiasm of scarcely thirty individuals.

Even some of the commanders of the Chinese mercenary forces maintained by the Japanese have their own political organizations. General Chang Chi-hwang (張啟黃), chief of 5,000 ex-bandits and Chinese Army stragglers employed by the Japanese for duty along the Peiping-

Hankow

-7-

Hankow railway, supports the Hupeh Orthodox Principles Association (湖北正義會). The Wuhan Association of Whampoa Revolutionary Schoolfellows (武漢黃埔革命同學會) adds a final note of confusion. This society is understood to have as one of its leading figures "General" Wang Pu-ching (汪步青), a Whampoa graduate, now commanding mercenaries said to be not only in the pay of the Japanese but also of Chungking.

General Yeh Peng (葉蓬), considered to be at least for the nonce one of Mr. Wang Ching-wei's followers, sent a group of his agents and bodyguard here during the middle of March. These individuals have not pretended, however, to amass a popular following but have confined their efforts to negotiating, thus far unsuccessfully, for General Yeh's assumption of the offices to which Mr. Wang Ching-wei appointed him - Chief of the Pacification Commission Headquarters at Wuhan and, concurrently, Commander-in-Chief of Bandit Suppression for Hupeh, Hunan and Kiangsi.

Leading Chinese Officials:

A reference to the biographical sketches of the leaders of the above-mentioned factions reveals a diversity of character. The Mayor, Mr. Chang Jen-li, is a weak son of a strong father, Japanese-educated, a political nonentity until he became a tool of the Japanese in the notorious East Hupeh regime and was brought to Wuhan because of his family name. Mr. Lei Shou-jung is generally described as a "real traitor". He is said to be a thoroughly unscrupulous opportunist; is an individual with an obscure past, an unpopular present and, due to the suspicion with which even the

Japanese

-8-

Japanese authorities regard him, an uncertain future. He has the distinction of last year having been slapped personally by the head of the Army Special Service Section here, Major General Shibayama.

The Governor, Mr. Ho Pei-jung, and his satellite, Mr. Shih Hsing-chuan (石 星 川), were petty officials during the war-lord era who have been out of office for two decades. Both of them having received some education in Japan and neither of them cherishing nationalist sentiments, they are considered by the Japanese to be satisfactory figure-heads.

General Yeh Peng was dismissed in October, 1935, from his post as Garrison Commander of Wuhan by General Chiang Kai-shek, under pressure from Tokyo, because General Yeh's troops improved their marksmanship on targets made in the form of Japanese soldiers and Japanese flags.* His recent conversion to Mr. Wang Ching-wei's regime and his manoeuvres to secure a high military appointment in this area from the Nanking regime are considered to be acts of personal spite against the Generalissimo.

"General" Wang Pu-ching was, until his desertion to and elevation by the Japanese, a captain in the Chinese Army. As has been observed, he is a Whampoa graduate and his allegiance is uncertain, it being generally believed that he receives subsidies from Chungking as well as the Japanese. The other principal commander of Chinese mercenaries in this district in the pay of the Japanese, General Chang Chi-hwang, rose to be an influential member of the gentry through a successful career

* Hankow's Political Review, October, 1935, page 8.

-9-

career as a Honan bandit. When the Japanese entered his territory in southern Honan, he aligned himself with the New Order where his early training is standing him in good stead.

Occupying hundreds of minor civil posts in the regimes established by the Japanese throughout this area are principally two types of Chinese: (1) local rascals, many of whom are opium addicts and (2) respectable Chinese whose financial resources became exhausted and who with acknowledged shame accepted Japanese employment through force of circumstances. The latter, most of whom are in Wuhan, are harmless nonentities. The former, who apparently dominate the various village Peace Maintenance Societies and small municipalities, have a bad reputation because of their exceptional corruption and oppression of their fellow countrymen. Those of them who are drug addicts are peculiarly under the control of the Japanese as the traffic in opium and other narcotics in occupied territory is a Japanese Army monopoly.

Finally, there are, of course, Chungking agents among the officials of the Japanese-controlled regimes.

Appraisal:

Opportunism and factionalism characterize political developments in the occupied territory of Central China. The leading Chinese officials of the puppet regimes and the majority of their subordinates accepted office under the Japanese for no discernible motives of altruism.* The financial profits of office together

with,

* The one official who is generally credited with having acted with the good of the people at heart was Mr. Chi Kuo-chen, who retired in disgust and despair five months after accepting the mandate of the Japanese Army Special Service Section. See enclosed biographical sketches.

-10-

with, in some instances, the chance to satisfy private grudges were the inducements to the initial acts of opportunism. In some of the grosser minds the novel though, under the circumstances, dubious dignity of being an official was apparently one of the motivating factors.

These men obviously cherish no loyalty wider than that to the clique with which they are associated. Their rivalry is not, as has been suggested, over any principles related to the public good. They therefore fail to command the respect not only of their fellow countrymen but also of their Japanese masters. For whatever else he may lack, the Japanese military man does not lack certain strong principles. The cheap opportunism of the Chinese puppet officials arouses his contempt.

While the wanton political character of the Chinese officials working for them may be regarded by the Japanese military politicians as despicable, they must also have found this weakness to be one which they can turn to their advantage. For those Japanese who oppose a centralized regime over all of the occupied territory for fear that it might eventually turn on its creator, the obvious technique of civil control is to rule through playing the various Chinese factions off against one another.

These tactics of divide and rule appear to be practiced by the Japanese Army and Navy Special Service Sections in Central China. Recently, however, so far as national politics are concerned, there would appear
to

-11-

to have been a retreat from this policy. After General Abe's arrival at Nanking there have been conciliatory gestures toward Mr. Wang's regime: the Board of Counselors is to be dissolved and the Kuomintang is to be permitted to open branch offices in Hankow and enroll members.

The control of revenue classified as "national taxes" remains here. The local factions and their Japanese abettors are willing to concede to Mr. Wang a degree of immaterial prestige but not now any such major boon as a source of Hupeh revenue. National taxes are to be controlled by a joint provincial and municipal commission.

The factors working for a continuation of the virtual autonomy of this area are (1) the apparent opposition of the Hankow Japanese military politicians to an extension of Mr. Wang Ching-wei's power and (2) the determination of the local factions to protect their present lucrative preserves from outside invasion. Tending to bring this region under the domination of the Nanking "central" regime are (1) the Japanese anxiety to bring about peace, even if at the cost of further concessions to their Nanking minions and (2) Mr. Wang's trading on this Japanese weakness.

Respectfully yours,

C. J. Spiker
American Consul General

Enclosure:

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

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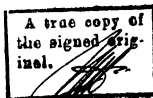
Enclosure:

Biographical Sketches of Leading Chinese
Officials of the Japanese-Controlled
Regimes in Central China.

Original to Embassy, Chungking.
In quintuplicate to the Department (despatch
No. 141, April 30, 1940);
Copies to Embassy, Peiping;
Embassy, Tokyo;
Consulate General, Shanghai;
Commander, Yangtze Patrol.

800

JD/mre



036

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

Enclosure No. 1 to despatch No. 72, April 30, 1940,
from Consul General C. J. Spiker, Hankow, China, to
the American Embassy, Chungking, on the subject:
"The Practice of Politics in the Japanese-occupied
Areas of Central China".

Biographical Sketches of Leading Chinese
Officials of the Japanese-Controlled
Regimes in Central China.

Chang, Jen-li (張仁義) Mayor, Wuhan Special
Fan-ching (范卿) Municipality.

Born 1900, Nanpi, Chihli, the 13th son of the
Viceroy Chang Chih-tung. Chang Jen-li was
graduated from Peking National University;
secretary in Hupeh Provincial Government;
Director General Peking Lottery Bureau; Magistrate
in various districts of Chihli and Honan for 10
years; Commissioner of Civil Affairs in East Hopei
Japanese-sponsored regime; Mayor of Wuhan Special
Municipality, 1939. He is a younger brother of
Chang Yen-ching, President of Hsin Min Hui in North
China, former Foreign Minister of "Manchukuo".

Chi Kuo-chen (計國楨) President of the now super-
ceded Wuhan Peace Mainte-
nance Society.

Native of Pootung, Kiangsu; most of his life spent
in Wuhan. His autobiography is set forth below, as
published in the WUHAN PAO, December 3, 1938:

"I am a man of shallow learning and knowledge.
My ability and capacity is weak... When I was
young, I devoted my attention on the study of
classics, and when an adult, I learned trade
and commerce, having been a merchant for 30
years. I travelled to Shanghai and Nanking and
in Hupeh and Hunan, where I opened branches.
I also paid a visit to Japan, where I visited
Nagasaki, Yokohama, Osaka, and Tokyo, for the
purpose of transacting business and studying
industry. My life career is trade. I have
never been involved in politics. Although my
savings in the past cannot entitle me to be
described as being wealthy, yet I am self-
supporting. I have long put government positions
and emoluments beyond my achievement.

"I am simply by nature, and have no bad habits.
As my sins are heavy and blessings light, I
have believed in Buddhism for a period of 20
years. I have joined the Buddhist Cheng Hsin Hui
of Hankow, the Red Cross Society, and the World
Swastika Society and the various charitable

societies.

-2-

societies. Following the example of Ching Kao Shang Jen, I have sworn to be kind in heart, to follow the ways of Pu Sha, to save mankind and to extend relief to the world. I take all worldly things as dreams, as bubbles and shadows, as dew and lightning".

Ho P'ei-jung (何佩瑤) Governor of Hupeh Province.

Born 1880, Chienshih, Hupeh. Classical education; studied military science in Japan, specializing in infantry; returned to China 1907; detailed to Ministry of War, Peking; rank of Major General 1913; Chief of Political Affairs Department, Hupeh Provincial Government, 1915; Civil Governor of Hupeh 1917-1920; Director Hupeh Mining Bureau; summoned out of obscurity by Japanese Special Service Sections to be President of Board of Counselors, 1939; Governor of Hupeh, 1939.

Lei Shou-jung (雷壽崇) Vice-President Wuhan Board
Pao-k'ang (寶康) of Counselors.

Born circ. 1890, Ocheng, Hupeh. Graduate of Japanese military academy; participated in Tangku Truce, 1933; Director of Sanitary Department, Hopei-Chahar Political Council, Peiping; Member of the Foreign Affairs Commission of the Hopei-Chahar Political Council, 1936; Official of the Bureau of Civil Affairs of East Hopei Japanese-sponsored regime; Vice President of the Wuhan Board of Counselors and President of the Wuhan Youth Association, 1939.

Shih Hsing-ch'uan (石星川) President Wuhan Board
Han-fang (漢芳) of Counselors.

Born circ. 1892, Yangsin, Hupeh. Studied military science in Japan 1902-08; ordered by Ministry of War to open a military academy; officer in Fengtien army; Hupeh divisional commander, 1911; Garrison Commander at Shasi; divisional commander under Wu Pei-fu, 1924; retired to commercial life; Vice President of Wuhan Board of Counselors, then President, 1939.

Yeh Peng (葉蓬) Commander-in-Chief, Hupeh-Hunan-Kiangsi Bandit Suppression Army and concurrently Commander of Wuhan Pacification Headquarters.

Born 1896, Hwangpei, Hupeh. Studied at Paotingfu Military Academy; Chief-of-Staff, 13 Division, 1929; Chief-of-Staff, Wuhan Garrison Headquarters, 1930; Commander, Wuhan Garrison Headquarters, 1932; discharged from post for anti-Japanese attitude, 1935; associated himself with Wang Ching-wei 1940 and appointed to present posts which he has thusfar been unable to assume.

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

RECEIVED
DEPARTMENT OF STATE

AMERICAN CONSULATE

Tsinan, China, May 18, 1940.

1940 JUN 14 PM 1 24

SUBJECT: MILITARY-GUERRILLA SITUATION IN SHANTUNG.

The Honorable

Nelson Trusler Johnson.

American Ambassador.

Peiping, China.

Sir:

I have the honor to submit the following report
on the above subject:

Operations in vicinity of Tsinan.

While no mention was made thereof in the local press and confirmation of the results are lacking, firing was audible in Tsinan and there were other signs of military operations in this vicinity between May 1st and 3rd. In this connection, the following extract, in translation, is taken from the YUNG PAO (Tientsin) of May 4, 1940:

"According to a special communication from Tsinan, the Self Defense Corps in cooperation with Japanese punitive units, launched a suppression campaign against approximately 800 bandit troops infesting the southern outskirts of Tsinan (no date mentioned) In spite of stubborn resistance offered along a line of 4 kilometers, the enemy were routed, leaving a large number of dead on the field."

Operations in Sintai-Mengyin area, southern Shantung.

The Japanese headquarters in Tsinan announced on May 14, 1940, that in the course of recent "mopping-up" operations in the Sintai-Mengyin area of southern Shan-

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- 2 -

tung, during which 50 engagements were fought against various bands of enemy forces estimated to total 13,000, 1,500 "bandits" were killed and important quantities of arms, equipment, ammunition and supplies were captured.

Ichowfu-Feih sien-Ishui region.

An infiltration of communist troops (presumably soldiers of the former 8th Route Army, now designated the 18th Group Army) into the Ichowfu-Feih sien-Ishui region (south and east of the Sintai-Mengyin area), is claimed by the Japanese. It is alleged that aside from disarming small groups of bandits, the communists are burying alive their enemies, such as followers of General Chiang Kai-shek, the capitalists and the intelligentsia. The Japanese report that a showdown is imminent between the communists and non-communist Chinese forces in that region under Chang Li-yuan (張里元), Superintendent of the 3rd Administrative Area of the legitimate Shantung Government, Wang Hung-chiu (王洪九), Commander of the 3rd Detachment of Guerrilla Forces and the ex-bandit chief, Liu Kuei-t'ang (劉桂堂), aggregating about 6,000 men.

Situation in Weihsien area.

In contrast to Japanese claims, a report from an American resident of Weihsien (on the Tsingtao-Tsinan Railway) states that "My observation leads me to believe that the 8th Route crowd are welcomed by the people. Also Yu Hsueh-chung and his men." The mention of General Yu Hsueh-chung's troops, which until recently were understood to have been in the mountains of southern Shantung, by an American resident of Weihsien is considered significant in view of paragraph 1

of

- 3 -

of the Consulate's telegram to the Embassy of April
26 (1940) 3 p. m.¹

Additional information from the American source
at Weihsien, concerning the military situation in the
neighborhood of that place, is contained in the follow-
ing extract from a report dated May 12, 1940:

"There has been fighting all around us this
past week, and many villages have had parts of
them burned. My observation leads me to believe
that the 8th Route crowd are welcomed by the people.
Also Yu Hsueh-chung and his men. But there are a
lot of unattached bandit units wandering around prey-
ing on the people that have earned a horrible name
for themselves. I met some men one day who held
me up and kept me well covered. But when I said
I was an American, they were extremely polite. I
also have a man here who was held 37 days by the
guerrillas and let loose after paying \$1,600. He
told me that he had seen 22 men led out to be killed
in that time. This is only one small band too. But
the Chinese here feel that they will get the victory
some time

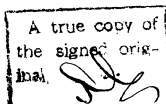
"I notice an increase in the number of guer-
rillas in the vicinity. The Japanese go to get
them but always are there just too late and the
innocent suffer. We notice that the Japanese
travel in larger groups now than they used to.
It is not safe for them in bunches of less than
a hundred, so the report goes."

Respectfully yours,

Carl O. Hawthorne,
American Vice Consul.

800
COH/KCC

Original to Embassy, Peiping.
5 copies to Department,
Copy to Embassy, Chungking,
Copy to Consulate, Tsingtao.



1. Presumably repeated to the Department.

MP

PLAIN

Peiping via N. R. FE

TELEGRAM RECEIVED

Dated June 14, 1940

Rec'd. 7:11 a. m., 15th

FROM

Secretary of State,
Washington

COPIES SENT TO

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

JUNE 15 REK

199, June 14, 4 p. m.

Peiping's 193, June 12, 3 p. m. and 196, June 13,

3 p. m.

Japanese army proclamation.

The joint statement of the Japanese army and naval
authorities issued at Nanking as translated by Domei
is as follows.

"Those who resort to any of the acts as listed
below shall in accordance with the military regulations
be subject to strict measures of punishment.

One. To unreasonably criticize fixed policies
of Japan in China.

Two. To show in public film or make publications
public lectures and meetings that are liable to disturb
the military and popular spirit.

Three. To resort to acts liable to obstruct
Japanese efforts in pacification propaganda and the
maintenance of local peace and order.

Four



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JUL 13 1940

F/FG

MP -2- #199, June 14, 4 p. m., from Paiping

Four. To unduly refuse to obey official orders and other steps taken for the purpose of emergency control or a rehearsal of such.

Five. To resort to acts tantamount to an open abuse of the Japanese army.

Six. To illegally utilize one status as an officer or official of public organizations.

Seven. For all advisers officials and others related to Chinese political organs and other organs under their control; schools or various public organizations; and various companies and concerns under the supervision of the Japanese army or the China Affairs Board; to utilize their position in receiving demanding or promising monetary bribes. Accomplices in the acts as enumerated above shall also be duly punished; and

Eight. To resort to acts generally liable to disturb popular sentiment; disturb peace and order or disturb the financial structure".

As stated previously these regulations are declared to be applicable to all persons in the occupied areas regardless of nationality.

Repeated to Chungking, Nanking, Shanghai by air mail to Tokyo.

SMYTH

CSB

001079

TELEGRAM RECEIVED

JI

GRAY

FROM

Tokvo

Dated June 15, 1940

Rec'd 10 a.m.

Secretary of State

Washington

RUSH

452, June 15, 6 p.m.

Department's 202, June 14, 7 p.m., bombardment

of Chungking.

Your instructions which I had fully expected came and were decoded at 4:30 p.m. and I immediately sought an appointment with the Minister for Foreign Affairs. Mr. Arita sent me word that he was occupied and asked me to see the Vice Minister. I replied that my instructions were definitely to see the Minister himself but the reply came that Mr. Arita was engaged in urgent affairs of state and that he could not see me until tomorrow. In view of the urgency of the matter I therefore called at 5:30 p.m. on the Vice Minister and after reading and handing him my formal note drafted in accordance with your instructions I requested that he bring both the note and my oral representations immediately to Mr. Arita's attention, this Mr. Tani promised

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

June 17. 892

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F/A

JUN 19 1940
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001080

JI-2-#452, June 15, 6 p.m. from Tokyo

promised to do.

In the course of oral representations I repeated what had been said yesterday to the Minister with respect to the attitude of the Government of the United States toward ruthless bombings of civilian populations and spoke of the indiscriminate character of the bombings of Chungking that have heretofore taken place and of their net results as reported by Ambassador Johnson from personal observation, involving the killing of large numbers of civilians without attaining any legitimate military objective. The grave hazards to the lives of American citizens and to the safety of American property were then set forth and the deplorable effect on American public opinion and on relations between the United States and Japan in the event of the injuring or killing of American nationals by Japanese bombing operations was represented and emphasized with all possible vigor and gravity.

The Vice Minister said that as I was communicating a message to the Foreign Minister the latter would convey his reply to me in due course.

Repeated to Shanghai, Shanghai please repeat to Chungking.

GREW

CSB

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



CHINESE EMBASSY
WASHINGTON

June 15, 1940

ackd.
June 18, 1940

My dear Mr. Secretary:

793.94
I have just received a telegram from my Government, desiring me to express to you its appreciation of the attitude of the American Government, as recently re-affirmed by you in a statement to the Press, in regard to the indiscriminate bombings of Chungking by the Japanese which have resulted in serious loss of civilian lives and property.

Sincerely yours,

H. Phil

Honorable Cordell Hull,
Secretary of State



793.94/15947

F/FG

15947

DECLASSIFIED: E.O. 11652, 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

FOR THE PRESS

JUNE 13, 1940
No. 287

In response to inquiries from correspondents in regard to reports of the bombing of Chungking yesterday, the Secretary of State said that according to information which has reached the Department from official and unofficial sources, Chungking has been extensively bombed on each of several recent days and yesterday was intensively and indiscriminately bombed by more than one hundred Japanese planes; that yesterday's casualties among the civil populace will probably number several hundred; that various buildings of the American Methodist Mission, including a church, were damaged by concussion; and that two groups of Japanese planes flew over the American Embassy premises but no bombs fell in the immediate vicinity of the Embassy. The Secretary added that the attitude and the position of the people and the Government of the United States toward ruthless bombings of civilian populations have been made abundantly and frequently clear, and that we wholeheartedly condemn such practices wherever and whenever they occur.



CHINESE EMBASSY
WASHINGTON

June 15, 1940

ackd.
June 18, 1940

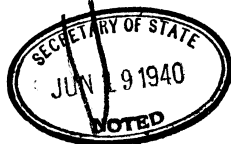
My dear Mr. Secretary:

793.94
I have just received a telegram from my Government, desiring me to express to you its appreciation of the attitude of the American Government, as recently re-affirmed by you in a statement to the Press, in regard to the indiscriminate bombings of Chungking by the Japanese which have resulted in serious loss of civilian lives and property.

Sincerely yours,

H. Phil

Honorable Cordell Hull,
Secretary of State



793.94/15947

F/FG

15947

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

CHINESE EMBASSY
WASHINGTON

June 15, 1940

My dear Mr. Secretary:

I have just received a telegram from my Government, desiring me to express to you its appreciation of the attitude of the American Government, as recently re-affirmed by you in a statement to the press, in regard to the indiscriminate bombings of Chungking by the Japanese which have resulted in serious loss of civilian lives and property.

Sincerely yours,

HU SHIH

Honorable Cordell Hull,
Secretary of State

DEPARTMENT OF STATE

FOR THE PRESS

JUNE 13, 1940
No. 287

In response to inquiries from correspondents in regard to reports of the bombing of Chungking yesterday, the Secretary of State said that according to information which has reached the Department from official and unofficial sources, Chungking has been extensively bombed on each of several recent days and yesterday was intensively and indiscriminately bombed by more than one hundred Japanese planes; that yesterday's casualties among the civil populace will probably number several hundred; that various buildings of the American Methodist Mission, including a church, were damaged by concussion; and that two groups of Japanese planes flew over the American Embassy premises but no bombs fell in the immediate vicinity of the Embassy. The Secretary added that the attitude and the position of the people and the Government of the United States toward ruthless bombings of civilian populations have been made abundantly and frequently clear, and that we wholeheartedly condemn such practices wherever and whenever they occur.

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

June 18, 1940

My dear Mr. Ambassador:

The receipt is acknowledged of your note of

June 15 in which you are so good as to express, under instruction, your Government's appreciation of the attitude of this Government, as recently reaffirmed in a statement which I issued to the press on June 13, in regard to ruthless bombings of civilian populations.

I am, my dear Dr. Hu,

Sincerely yours,

793.94 / 15947

11652/15947

Cordell Hull

His Excellency

Dr. Hu Shih,

Chinese Ambassador.

CR

JUN 18 1940

Routine

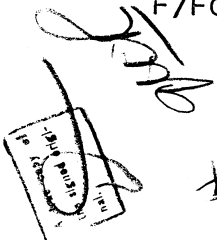
FE:MMH:REK
6/18/40

WOW
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P. H. H. H. H.

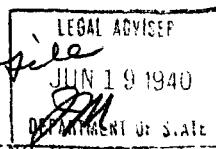
F/FG



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

135

TELEGRAM RECEIVED



FE
LKE

JT

CHUNGKING VIA N.H.

FROM Dated June 15, 1940

Rec'd 2 p.m.

Secretary of State,
Washington.

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

264, June 15, 2 p.m.

Reference Embassy's 257, June 12, 9 p.m., Japanese
bombing of Chungking on June twelve.

The Embassy has been informed by letter of the
following American property losses and damages in
consequence of the raid in question: One. Methodist
Episcopal Mission (a) Two missionary residences sustained
damages estimated at two hundred dollars United States
currency; (b) Methodist Union Hospital sustained damages
estimated at five hundred dollars United States currency;
(c) Church A Daijiahang and pastorate sustained damages
estimated at one hundred dollars United States currency;
(d) Lewis Memorial Institutional Church sustained damages
estimated at one hundred dollars United States currency;
and (e) Yiu Teh Girls School sustained damages estimated
at one hundred dollars United States currency. Two.

The Chungking Ice Company, Inc., (a) repairs of roofs
of godown factory and office building estimated at one
thousand one hundred forty one dollars and eighty cents

Chinese

793.94/15948

F/FG

793.94

note

393.1163Msb

393.1163

Seventh Day
Adventist

136

-2-#264, June 15, 2 p.m., from Chungking via NR

Chinese currency (b) broken equipment, et cetera losses sustained estimated at twelve hundred dollars Chinese currency.

A church building and a residence owned by the Seventh Day Adventist Mission were demolished in the course of the raid but an estimate of losses and damages has not been received.

Repeated to Peiping, Hankow, Shanghai. Shanghai please repeat to Tokyo. Copy by airmail to Yunnanfu.

JOHNSON

WSB

DECLASSIFIED: E.O. 11652, 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

MR

CHUNGKING

Dated June 16, 1940

Rec'd 10 am

Secretary of State,
Washington.

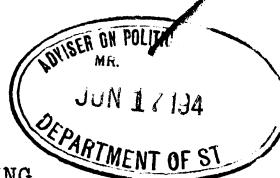
265, June 16, noon.

Department's 94, June 14, 7 pm.

Is it the Department's desire that I take steps to communicate to American citizens the warning of the Japanese Government with notification of alleged safe area or merely inform those who inquire? Knowledge of Japanese warning has been generally broadcast and many Americans and of course Chinese are now coming to this side of river in the belief of safety here. Americans who do not already come across probably would not leave their work and generally have access to dugout.

JOHNSON

DDM



793.94/15949

F/FG

793.94

FILED
JUN 19 1940

TELEGRAM RECEIVED

AC

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

Hankow Via N.R.

FROM Dated June 16, 1940

Rec'd 3:05 p.m.

Secretary of State

Washington

June 16, 10 a.m.

My telegram of June 15, 9 p.m.

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE
June 18 E.J.V.

One. A usually reliable source declares that
west of the Han there now are 35,000 Japanese troops,
between that river and the Peiping-Hankow Railway
30,000, east of that railroad 25,000 and in the
Wuchang-Yoyang sector 15,000. This may be an under-
estimate.

Two. Japanese headquarters is at Ying (?) where
Itagaki is said to be at present.

Three. The Japanese drive on Shasi and Ichang
apparently met no serious opposition. The Chinese
retired to the hills from which they are now emerging.
A Japanese estimate is that about 400,000 Chinese now
threaten their hold on Shasi and Ichang principally
from the north but also from the southeast. A reliable
Japanese source privately stated that some time this
week Japanese troops will withdraw to east of the Han.

Four. In the meantime Japanese are systematically
devastating

793.94/15950

F/FG

793.94

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

-2- June 16, 10 a.m. from Hankow

devastating the country around Ichang.

Sent to Chungking, Peiping, Shanghai.

SPIKER

DECLASSIFIED: E.O. 11652, 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 of June 16, 1940, from the American
 Consul General at Hankow reads substantially as follows:

General Itagaki is said to be now at Ying (?) where
 the Japanese headquarters are located. At the present
 time there are 15,000 Japanese troops in the Wuchang-
 Yoyang sector, 25,000 east of the Peiping-Hankow Rail-
 way, 50,000 between the Han River and the railway, and
 35,000 west of the river, according to a person who is
 generally reliable. The above estimate may be too
 small. Seemingly the Japanese met with no serious op-
 position in their drive on Ichang and Shasi. The Chi-
 nese withdrew to the hills from which they are now
 appearing. According to the opinion of a Japanese, the
 Japanese hold on Ichang and Shasi is now menaced by
 about 400,000 Chinese. There are threats to the Japa-
 nese positions from the southeast in addition to the
 principal threat from the north. During the week of
 June 16, Japanese troops will retire to the east of the
 Han River, according to information received privately
 from a reliable Japanese. Meanwhile, the area around
 Ichang is being devastated systematically by the Japanese.

793.94/15960

292
 FE:Christenson:HES
 6-18

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FE

TELEGRAM RECEIVED

AC

PLAIN

FROM Hankow via N.R.

Dated June 16, 1940

Rec'd 5:16 p.m.

Secretary of State

Washington

June 16, noon.

Embassy's June 14, 3 a.m. and June 15th reporting

arrival Mrs. Dean at Chungking. Only communication with Ichang is through radio to British steamers anchored below city and making daily reports but heretofore not in touch with the shore (reference my June 12, 2 p.m.). Report received by one company today indicates Ichang representative was able to visit steamer yesterday and report certain property damage but no mention of injuries to any foreigners. Company assumes all foreigners safe. Since first radio sent American missions on June tenth this office has been endeavoring to obtain positive information as to safety of Americans in Ichang. Have sent further inquiries to missions and has also sought information through Japanese military authorities.

Sent to Chungking, repeated to Paiping and Shanghai.

SPIKER

WVC

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

June 18 8 p.m.

793.94/15951

F/FG

793.94

TELEGRAM RECEIVED

MR

PLAIN

FROM

HANKOW VIA NR

Dated June 16, 1940

Rec'd 5:57 am

Secretary of State,
Washington.

June 16, 9 pm

AP, UP and Transocean correspondents this afternoon
flew Shasi and Ichang in Japanese plane but did not land.
They report comparatively little visible damage done two
ports which appear to be under complete Japanese control.
Large properties marked by American flags seemed un-
damaged. A few small fires burned in Ichang. Rural
areas flown over apparently deserted and no traffic of
any description moving on highway west of Han or on
river where observed at Shasi and Ichang.

Please do not release above as press stories not
being sent until tomorrow.

Sent to Chungking. Repeated to Department, Peiping,
Shanghai.

SPIKER

EMB

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

June 17 8 27

793.94/15952

JUN 18 1940

RECEIVED

F/FG

793.94

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137

TELEGRAM RECEIVED

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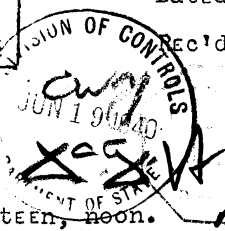
JR

LEGAL ADVISER
JUN 20 1940
DEPARTMENT OF STATE

Chungking via N. R.

FROM Dated June 17, 1940

Secretary of State,
Washington.



Rec'd 6 a.m.

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

June 17, 1940

267, June seventeen, noon.

793.94

The Japanese yesterday again violently and indiscriminately bombed the lower and central business and residential areas of Chungking utilizing for this purpose about one hundred thirteen planes flying in four separate groups. Both incendiary and demolition bombs some of very heavy caliber were dropped causing several fires and extensive property damage. As in previous raids property damage was confined largely to privately owned structures. Civilian casualties are estimated to number from one to two hundred persons. At least one bomb fell within the areas which the Japanese said they did not intend to attack in the note addressed to Ambassador Grew (Tokyo's 450, June 14, 7 p.m., to the Department) numerous bombs fell within one thousand yards of the American gunboat but none closer than three hundred yards (all Americans are believed to be safe.) The school building and a residence of the Su Teh Girls School of the Methodist Episcopal Mission were damaged during the raid but an estimate of losses is not yet available

793.94/15953

F/FG

JUN 24 1940

138

-2- #267, June 17, noon, from Chungking.

available. It will be recalled that this property was damaged in a Japanese raid conducted on January 15, 1939, (Embassy's 27, January 15, 7 p.m., 1939).

Repeated to Peiping, Hankow and Shanghai. Shanghai please repeat to Tokyo. Air mail copy to Yunnanfu.

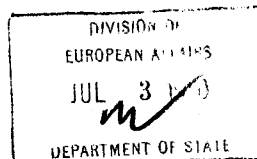
JOHNSON

WWC

139

TELEGRAM RECEIVED

FROM



HSM

This telegram must be
closely paraphrased
before being communi-
cated to anyone. (B)

Tokyo

Dated June 17, 1940

Rec'd 8:05 a. m.

Secretary of State, *K*
Washington. *file B*

455, June 17, 6 p. m.

793.94
Confidential reports have been coming to us from
various sources of considerable concentration of Japanese
military forces in Hainan, Formosa and Kyushu but these
reports are not subject to confirmation. Soviet and
British attaches here are speculating with regard to a
possible Japanese invasion of French Indo-China in the
event of the capitulation of France in Europe.

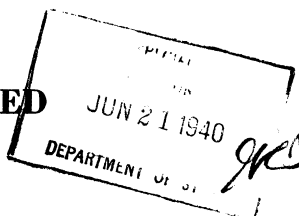
GREW

WSB

793.94/15954

F/FG

TELEGRAM RECEIVED



RWR

FROM

HANKOW VIA NR

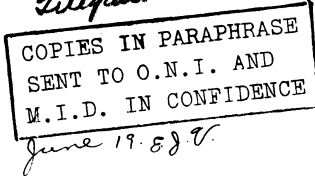
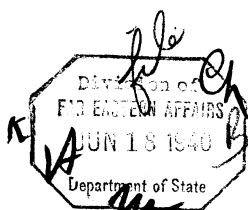
This telegram must be closely paraphrased before being communicated to anyone. (Br)

Dated June 17, 1940

Rec'd 4:24 p.m.

Telegram to Hankow

Secretary of State,
Washington.



June 17, 4 p.m.

My June 17, 3 p.m. and previous telegrams on the same subject. Conditions at Ichang.

Foreign sources there report that the Japanese have evacuated this city. Two of their planes machine gunned foreign property there at 11 o'clock this morning, killing and wounding Chinese refugees. All Americans safe. No mention of nationality of the property.

I have made appropriate representation to the Japanese Consulate General.

Sent to Chungking, Peiping, Shanghai.

SPIKER

REP



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)

PARAPHRASE

CONFIDENTIAL

A telegram of June 17, 1940, from the American Consul General at Hankow reads substantially as follows:

Ichang has been evacuated by the Japanese, according to information received from foreigners there. At 11:00 a.m. on June 17, two Japanese airplanes machine-gunned foreign property at Ichang. Americans are all safe. The nationality of the property was not mentioned. Chinese refugees were wounded and killed. Appropriate representations have been made by the American Consul General to the Japanese Consulate General.

69K
 FE:ECC:MHP
 6/19/40

Kek
 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

PREPARING OFFICE
 WILL INDICATE WHETHER
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 Full rate
 Day letter
 Night letter
 Charge to
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TELEGRAM SENT

Department of State

TO BE TRANSMITTED
 X CONFIDENTIAL CODE X
 NONCONFIDENTIAL CODE
 PARTAIR
 PLAIN
 "BR"
 NAVAL RADIO

June 20, 1940.

AMERICAN CONSUL,
 HANKOW (CHINA) *via NR*
 INFO: AMEMBASSY, PEIPING (CHINA).

This cable was sent in Confidential Code.
 It should be carefully paraphrased before
 being communicated to anyone. *BT*

✓ 25-
 Your June 17, 4 p.m., in regard to conditions at
 Ichang.

Please inform the Department of the substance of
 your representations.

Sent to Hankow. Repeated to Peiping.

W. C. C.
 Acting

793.94/15955

RCM
 FE:RCM:HES

FE

JUN 20 1940

Enciphered by _____

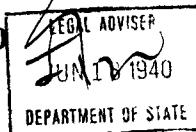
Sent by operator _____ M., _____, 19____

793.94/15955

F/FG

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

TELEGRAM RECEIVED



RDS

FROM

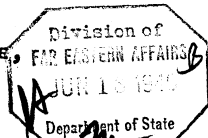
PLAIN

Hankow via N.R.

Dated June 17, 1940

Rec'd 2:50 a.m., 18th.

Secretary of State,
Washington.



45, June seventeenth, two p.m.

Chungking 264, June fifteenth, two p.m.; Shanghai's
526, June fifteenth, two p.m. bombing of Chungking.

Written representations made today to Japanese Consul
General including reservation all American rights.

Repeated to Chungking, Peiping, Shanghai. Shanghai
please mail to Tokyo.

SPIKER

REP

793.94

793.94 / 15956

JUN 20 1940

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

FE

TELEGRAM RECEIVED

RDS

PLAIN

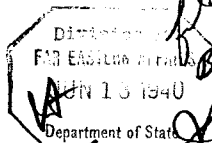
FROM

Hankow via N.R.

Dated June 17, 1940

Rec'd 3 a.m., 18th.

Secretary of State,
Washington.



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

June 18 E.J.C.

June 17, 3 p.m.

June 16, noon and previous. American Missionary
at Ichang reports all Americans safe.

Sent to Chungking, repeated to the Department,
Peiping and Shanghai.

SPIKER

793.94/15957

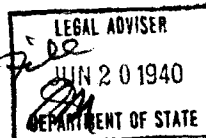
793.94 REP

JUN 20 1940
RECEIVED

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

TELEGRAM RECEIVED



FE
✓

HSM

PLAIN

FROM Peiping via N. R.

Dated June 18, 1940

Rec'd 12:30 p. m.

Secretary of State,
Washington.



204, June 18, 4 p. m.

Chungking's 264, June 15, 2 p. m., and 266, June 17,
noon. Various American properties damaged during June 14
and 16 air raids on Chungking.

Written representations including reservation of
rights made to Japanese Embassy here today.

Repeated to Chungking, Shanghai and Hankow. By air
mail to Tokyo.

SMYTH

CSB

793.94
note
393.115

793.94/15958

F/FG

140

THE WHITE HOUSE
WASHINGTON

June 13, 1940.

MEMORANDUM FOR
THE SECRETARY OF STATE

In view of this apparently
indiscriminate bombing of Chung-
king without reference to military
objectives, should we call it to
the attention of the Japanese
Government?

793.94/15959

F. D. R.



F/FG

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

141

June 13, 1940

MEMORANDUM FOR THE PRESIDENT

Before your memorandum of June 13 in regard to the apparently indiscriminate bombing of Chungking was brought to my attention, I issued to the press a statement on this subject, a copy of which is enclosed for convenience of reference. In the light of your memorandum, I am also telegraphing Ambassador Grew at Tokyo to bring that statement to the personal attention of the Japanese Minister for Foreign Affairs.

Cordell Hull

Enclosure:
 Press release,
 June 13, 1940.

JUN 13 1940

FE:MMH:REK
 6/13/40

Just
 FE
 7/14/40

PA/H
 5/14/40



793.94/15959

F/FG

CK

PLAIN

142

Chungking via N.R.

Dated June 12, 1940

Rec'd 7:32 p.m.

June 13, 1940

Secretary of State

Washington

257, June 12, 9 p.m.

Four groups comprising about one hundred ten Japanese planes today intensively and indiscriminately bombed Chungking concentrating their main attacks on the lower main business section of the city. Casualties among the civil populace probably will number several hundred. Property damage largely confined to commercial and residential structures appears to be the heaviest sustained in attacks on Chungking since the raid of May 4, 1939. All American nationals are believed to be safe. Various buildings of the American Methodist Mission including a church sustained damage from the concussion of nearby bombs, a detailed report of which will be submitted later. Although two groups of Japanese bombers flew almost directly over the American Embassy premises no (repeat no) bombs fell in the immediate vicinity thereof.

Repeated to Peiping, Hankow, Shanghai. Shanghai please repeat to Tokyo.

JOHNSON

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

PREPARING OFFICE
WILL INDICATE WHETHER
Collect { Full rate
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Night letter
Charge Department:
Full rate
Day letter
Night letter
Charge to
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TELEGRAM SENT 143

Department of State

Gray
TO BE TRANSMITTED
CONFIDENTIAL CODE
X NONCONFIDENTIAL CODE X
PARTIAL
PLAIN

Washington,
June 14, 1940

6 p.m.

AMEMBASSY,

TOKYO (JAPAN).

207
In reply to an inquiry at the press conference on
June 14, ~~1940~~ as to whether you had been instructed to
lodge a protest with the Japanese Foreign Office over
the recent bombings of Chungking, the Secretary said that
we have definite standing instructions to all of our
representatives to implement our policies whenever in their
judgment the situation warrants or suggests it. In reply
to a further question as to whether a copy of the Secretary's
statement of June 13, ~~1940~~ had been sent to you, the
Secretary answered in the affirmative. In answer to a
still further question as to whether this copy had been
accompanied by instructions, the Secretary repeated that
there were standing instructions to cover this kind of
incident.

793.94/15959A

IRW
FE:IBW:HJN

Jm
FE
m.m/d.

ST
CI

PA/H
Hull
P.H.

Enciphered by _____

Sent by operator _____ M., _____, 19 _____ JUN 14 1940 PL

CR

F/FG

June 14, 1940.

144

Q. Mr. Secretary, there is a despatch from Tokyo that Ambassador Grew launched a protest with the Japanese Foreign Office over the recent bombings of Chungking. Could you tell us whether you instructed Mr. Grew to lodge that protest?

A. As you know, we have definite standing instructions to all of our representatives to implement our policies whenever in their judgment the situation warrants or suggests it.

Q. Could Grew possibly by any chance have called attention to the Foreign Office to what you said yesterday in response to questions?

A. I don't know if he did.

Q. Did you send him a copy for his information?

A. Yes.

Q. But without instructions?

A. Well, as I say, they have standing instructions that cover these kind of incidents.



HSM

GRAY

EE

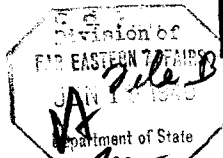
Tokyo
TELEGRAM RECEIVED
Dated June 18, 1940
Rec'd 9:14 a. m.

FROM

Secretary of State,
Washington,

RUSH

463, June 18, 8 p. m. (SECTION ONE)
Our 452, ¹⁵⁹⁴⁶ June 15, 6 p. m.



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

June 19, 1940

We have been informed by an American correspondent that the Foreign Office has already given to the press an announcement concerning the reply to our representations made on June 15 as reported in our telegram under reference concerning the bombing of Chungking. Following is our translation of the Foreign Office note which was received late this afternoon:

"Ministry of Foreign Affairs, Tokyo, June 18, 1940.
No. 121, American I.

Excellency: I have the honor to state that I have carefully perused the contents of Your Excellency's note dated June 15, 1940, in which you set forth the views of the American Government with regard to the advice contained in my note of June 14 concerning the withdrawal of American nationals at Chungking to a safe place during the present bombing of Chungking by Japanese military forces.

GREW

KLP

793.94
note
393.115

793.94/15960

F/FG

TELEGRAM RECEIVED

RDS

GRAY

Tokyo

FROM

Dated June 18, 1940

Rec'd 2:05 p.m.

Secretary of State,
Washington.

RUSH.

463, June 18, 8 p.m. (SECTION TWO)

Chungking as the military and political center of the Chiang Kai-shek Regime is strongly fortified, and within and without that city there are grouped the supreme military headquarters, every sort of government office, military affairs committees, Supreme National Defense Committee, Central Military Officers Training School, and military arsenals, military uniform factories, arms and ammunition storehouses and other military buildings. In view of the fact that that Regime, using Chungking as a base of operations, is waging war in resistance to Japan, the Imperial army has lawful reason to destroy that base. Bombing attacks have been and are being continued, therefore, against those Chinese military emplacements. It need not be said that these bombing attacks cover a relatively large area owing to the fact that the objectives are scattered at various places inside and outside the city.

The

-2- #463, June 18, 8 p.m. (SECTION TWO), from Tokyo

393.115

The Imperial army and navy air forces have on each occasion before a bombing attack thoroughly * (apparent omission), on the basis of maps and other information previously received from third Powers the existence, whereabouts, et cetera, of third Power interests and property at the place to be attacked; and even at the cost of detriment of military operations have always carried out these activities with the greatest precaution to avoid causing damage to interests and property of third Powers. The Chiang Kai-shek Regime, however, have on many occasions deliberately located their various military emplacements and other military establishments in close proximity to interests and property of third Powers. When making bombing attacks against those objectives, the Imperial air forces are always subjected to anti-aircraft artillery fire and attacking enemy planes against which they defend themselves. In such cases, therefore, damage may be caused to noncombatant Chinese nationals or to interests and property of third Powers by stray shells or some other aftermath of the bombing attack. Damage of that sort must be said to be unavoidable during such military activities, and is entirely uncontrollable. In view of the above situation, to say simply that the Japanese air forces are making indiscriminate bombing attacks is to ignore the

justifiable

-3- #463, June 13, 8 p.m.(SECTION TWO), from Tokyo.

justifiable activities and the spirit of the Japanese air forces, and is beyond the understanding of the Imperial Government.

The Japanese military forces will not hereafter relax their attack on Chungking. Extensive bombing attacks will be made on the various military organs and establishments of the Chiang Kai-shek Regime inside and outside of that city in order to destroy completely those organs and establishments. The Japanese Government cannot accept responsibility for unavoidable damage which may occur as a result of these military activities. In this connection, the Imperial Government earnestly hopes that your Excellency's Government on its part, in consideration of the above possibility of unforeseen damage occurring, will give further profound thought to the remarks set forth in the Ministry's previous note dated June 14, 1940.

I avail myself, et cetera, "Hachiro Arita, Minister for Foreign Affairs."

Repeated to Shanghai. Shanghai please repeat to Chungking, Peiping. (END MESSAGE)

GREW

TFV

TELEGRAM RECEIVED

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE
June 20 REK

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

FROM HANKOW via N. R.
Dated June 18, 1940
Rec'd. 8:20 p. m.

Secretary of State,
Washington

June 18, 1 p. m.

Because if having any foundation in fact it is
significant, the following rumor from diverse sources
is repeated for appraisal by the Embassy.

793.94
General Honjo at a military conference at Wuhan
University on June 3 with Itagaki and other military
leaders is said to have formally presented Tokyo's
proposal that Japanese troops be withdrawn from Central
China and concentrated in South China in preparation for
southward expansion. The young officers clique which is
dominant here strongly opposed this plan it is reported
declaring themselves determined to hold Central China.
They countered with a request for at least five more
divisions. In the light of the foregoing it is possible
that the Shasi-Ichang offensive was not only to regain
face following the May fiasco but also to commit Tokyo
to Central China by extending ^{OCCUPIED TERRITORY} ~~the~~ The Japanese Govern-
ment has however withheld the reinforcements necessary

4/19 repeat requested to

793.94/15961

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

MP -2- June 18, 1 p. m., from Hankow

to maintain this gain. The Central China command has apparently thereby been compelled to order a retirement from Ichang.

Was then the surprising lack of Chinese resistance to the Shasi-Ichang offensive less a collapse of morale than a calculated play on divergent Japanese ambitions?

Sent to Chungking. Repeated to the Department, Peiping, Shanghai.

SPIKER

EMB

(CONFIDENTIAL)

CONFIDENTIAL

PARAPHRASE

A telegram of June 18, 1940, from the American Consul General at Hankow to the Embassy at Chungking reads substantially as follows:

A rumor which has been received from various sources is repeated for evaluation by the Embassy because of its significance if founded in fact. The rumor is as follows: It is said that on June 3, during a military conference at Wuhan University with certain military leaders, including General Itagaki, General Honjo presented formally Tokyo's proposal to the effect that in readiness for expansion to the south Japanese forces be taken away from Central China and massed in South China. The proposal is said to have been opposed strongly by the young officers clique which predominates in Hankow. A determination to hold Central China was expressed by these young officers who made a counter request for five additional divisions at least. It is possible that, in view of the above, the attack on Ichang and Shasi was for the purpose of committing the Japanese Government to Central China by extending (?) as well as of recovering "face" following the fiasco in May. As the Tokyo Government has, however, failed to send the reinforcements needed to keep possession of this gain, the Central China command has seemingly found it necessary to order

evacuation

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

-2-

evacuation of Ichang by Japanese troops. May China's
surprising lack of resistance to the attack on Ichang
and Shasi have been more of a planned play on differing
Japanese ambitions than a collapse of Chinese morale?

egc.
FE:EGC:MHP
6/19/40

pek
FE

145

MP

TELEGRAM RECEIVED L GRAY

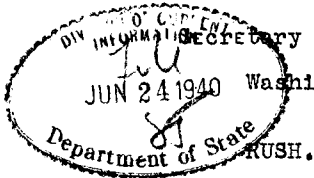
DIVISION OF
EUROPEAN AFFAIRS
JUN 22 1940
DEPARTMENT OF STATE

Tokyo

FROM

Dated June 19, 1940

Rec'd. 7:55 a. m.



Secretary of State,
Washington K

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

June 19, 1940

470, June 19, 5 p. m.

One. My British colleague has this moment sent me
the following substance of telegram despatched to the
Foreign Office London today:

Director of Military Intelligence, Japanese General
Staff sent for Military Attache this morning and spoke
as follows:

Great Britain's hostile attitude towards Japan's
aspirations in China and pusillanimous handling of
national defense problems has driven Japan into Germany's
arms and now the overwhelming majority of the Japanese
people and especially the fighting are anti-British.
With the collapse of France and the British impotent in
the Far East the Japanese people feel that they would
earn the obloquy of their descendants if they do not
seize the opportunity. The situation is critical and
there is now nothing to stop Japan from seizing French

Indo-China,

793.94/15962

F/FG

note
740.00119EW
893.24
893.0146

146

MP -2- #470, June 19, 5 p. m., from Tokyo

893.24
893.0146
741.94

Indo-China, the Netherlands Indies or Hong Kong or all of them. Japanese forces are already prepared to march to the frontier of Indo-China to ensure that the suspension of transit of goods to China is being enforced and they may even find it necessary enter French Indo-China. The United States of America are in no condition to prevent Japan from taking whatever action she likes in the Western Pacific. Great Britain now has her last chance and if she takes it positive action by Japan may be averted. Japan's demands are: (1) immediate closing of Burma frontier with China, (2) immediate closing of Hong Kong frontier, (3) immediate withdrawal of British troops from Shanghai. Instant and decisive compliance with these demands is the only thing that may yet avert a declaration of war by Japan against Great Britain.

Director of the Military Intelligence stated that the above is the opinion of the overwhelming majority of Japanese fighting forces and of the Japanese people and he stated that we deceive ourselves if we believe the soothing words of the Foreign Office. The Government is weak and the army all powerful. The Director of Military Intelligence requested the Military Attache to convey

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

MP -3- #470, June 19, 5 p. m., from Tokyo

convey the substance of their conversation to His
Majesty's Ambassador immediately. In view of the
importance of this communication I am taking the matter
up with the Minister of Foreign Affairs this afternoon."

GREW

CSB

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

FE

148

TELEGRAM RECEIVED

HSM
This telegram must be
closely paraphrased
before being communi-
cated to anyone. (Br.)

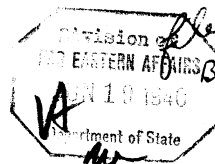
FROM

Tokyo

Dated June 19, 1940

Rec'd 6:03 a. m.

Secretary of State,
Washington.



RUSH

471, June 19, 6 p. m.

Continuing my 470, June 19, 5 p. m.

Two. I have an appointment later this afternoon
with the Minister for Foreign Affairs and I propose to
ask him as on my own initiative whether the Japanese
Government is aware of and associates itself with the
position taken by the Japanese army as above reported.
Craigie authorizes me to use this information but with-
out revealing individual Japanese source.

EMB

GREW

793.94

793.94/15963

F/FG

JUN 25 1940

149

FE

JR

TELEGRAM RECEIVED

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

FROM Dated June 19, 1940

Rec'd 9:44 a.m.

*Substance
given orally +
in strict confidence
to Comdr. McCollem
(ONI) and to Col.
MacArthur (MID)
6/20/40
neu*

Secretary of State,

Washington.

473, June 19, 7 p.m.

STRICTLY CONFIDENTIAL.

Our 470, June 19, 5 p.m., and 471, June 19, 6 p.m.

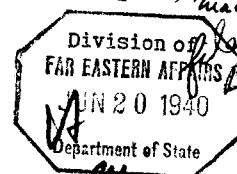
One. The British Ambassador saw the Minister for

Foreign Affairs this afternoon alone after the signing of
the Tientsin agreement, informed him of the substance of
the communication received from a military source set forth
in our 470, June 19, 5 p.m., and asked the Minister whether
the communication represented the views and intentions
of the Japanese Government.

Two. The Minister replied that the communication
"should not be taken seriously" and that communications
from the Japanese Government to other governments would be
conveyed through the Minister himself. He added that
consideration was given to the presentation (*) the British
and French Governments of some of the points brought out
in the military communication but that such points would be
presented in an entirely different way from the military
presentation. (END SECTION ONE)

GREW

WVC



*793.94
note
893.0146*

793.94/15964

F/FG

TELEGRAM RECEIVED

150

hsm

This telegram must be
closely paraphrased
before being communi-
cated to anyone. (C)

Tokyo

FROM

Dated June 19, 1940

Rec'd 12:54 p. m.

Secretary of State,
Washington.

473, June 19, 7 p. m. (SECTION TWO)

Three. Prefacing my own talk with the Minister for Foreign Affairs later in the afternoon I said to Mr. Arita that the British Ambassador had advised me of the substance of the military communication and of the Minister's comments thereon and that Sir Robert Craigie had authorized me to inform the Minister that I was aware of the nature of their conversation. I told the Minister that my Government would be deeply concerned when receiving my report of the military communication to the British Ambassador and I inquired whether I might inform my Government that the Minister had confirmed to me his statement to the British Ambassador the Minister thereupon authorized me to inform my Government that he confirmed his statement to the British Ambassador as set forth in paragraph numbered two above.

Four. The British Ambassador in his conversation with
the

151

hsm -2- No. 473, June 19, 7 p.m. (Section 2) from Tokyo

the Minister for Foreign Affairs pointed out with regard to the question of closing the Burma-China frontier that the forthcoming rainy season will automatically prevent traffic over that frontier for several months, and he furthermore pointed out the extremely small percentage of British exports over the Burma road.

Five. The Ambassador said to me that without the support of the United States Great Britain, owing to the situation in Europe, would undoubtedly be obliged to withdraw the British troops from Shanghai in the face of a Japanese demand but that his Government had no intention of leaving the United States in the lurch.

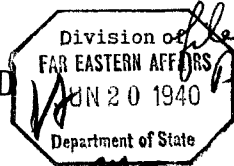
Six. The Ambassador understands that Prince Kanin, the Chief of Staff, is to see the Emperor ^{today,} ~~and a few days later,~~ presumably in order to discuss the matters presented in the military communication and Sir Robert Craigie doubts whether the Emperor will approve of the proposed procedure of the army. The Ambassador characterizes the military communication as in line with previous saber rattling prior to the opening of negotiations but he recognizes the fact that the present communication under reference is of an unusually serious nature. (END OF MESSAGE)

GREW

WWC

DECLASSIFIED: E.O. 11652, 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



FE

RDS

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

FROM

Chungking via N.R.

Dated June 20, 1940

Rec'd 5:05 a.m.

Secretary of State,
Washington.

June 20, 10 a.m.

It is impossible here to comment intelligently
upon the question posed in your June 18, 1 p.m. It is
thought here that Chinese withdrawal was not due to
loss of morale but merely followed similar tactics of
the past. Locally Chinese seem to have been confident
from the beginning that Japanese would remain at Ichang.
They gave it out that they expected to prevent with-
drawal back over the Han of troops which had crossed.
Consensus of reliable reports received here is that the
Japanese have reoccupied Ichang.

Sent to Hankow, Peking.

JOHNSON

RR

793.94/15965

793.94

JUN 24 1940

FILED

F/N

FE

TELEGRAM RECEIVED

EN

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

FROM

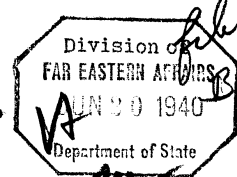
Yunnanfu via Chungking & N. R.

Dated June 14, 1940

Rec'd 6:19 a.m., 20th

Secretary of State,
Washington.

6/20
shown to
ONS-MIA
KCK



June 14, 11 a.m.

Chairman Lung Yun, accompanied by high military advisers including General Lu Han, and chief civil subordinates, on June 6 made a one day inspection tour aboard a Eurasia plane of (according to the press) reconstruction works in southern Yunnan. Chinese and foreigners here believe, however, that the trip was prompted by military considerations, a possibility being an inspection of border defense dispositions. On June 11 Lung left Yunnanfu by train for a trip of several days, reportedly to inspect mineral resources in southern Yunnan. An unconfirmed rumor states that he has proceeded to Hanoi to interview the Governor General of Indochina. There are missionary reports from southeast Yunnan, believed to be reliable, of increased Chinese troop movements in that area. Repeated to Peiping.

793.94

793.94/15966

UNSIGNED

DDM

JUN 24 1940
RECEIVED

F/FG

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

TELEGRAM RECEIVED

152

NR

PLAIN

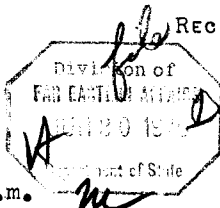
FROM

CHUNGKING VIA NR

Dated June 20, 1940

Rec'd 12:14 a.m.
June 21.

Secretary of State,
Washington.



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

278, June 20, 4 p.m.

June 21, 1940

79394

Following are highlights of an address delivered by Generalissimo Chiang Kai Shek at the memorial service of the Central Kuomintang headquarters at Chungking on June 17 as reported by the Central News Agency: (first) European developments are favorable to Chinese resistance; (Second) Japanese strategy and tactics in the fighting in north and west Hupsh will be overcome by the use of "magnetic" tactics on the part of the Chinese; (Third) the performance of the Chinese air force will frustrate Japanese attempts to destroy Chungking by bombing; (Fourth) Japanese air raids serve merely to afford the Chinese people an opportunity to give expression to their revolutionary spirit; and (Fifth) China's struggle has made a substantial contribution to the world and full victory is in sight although greater effort is still required to consummate the nation's mission.

As regards the first point General Chiang explained that

793.94/15967

F/FG

-2- No. 278, June 20, 4 p.m. from Chungking

153

that owing to the European hostilities America has embarked upon military expansion and has taken steps leading to an eventual embargo on materials. These two developments he said will constitute decisive factors in the future of the Far East and of China's resistance. As to the European war he observed the future developments can not presently be foretold but irrespective of how the war develops it will only benefit China.

END SECTION ONE)

JOHNSON

EMB

REB

TELEGRAM RECEIVED
PLAIN

FROM

Chungking via N. R.

Dated June 20, 1940

Rec'd 9:02 p. m.

Secretary of State,
Washington.

278, June 20th. (SECTION TWO)

With reference to the second point General Chiang charged that Japanese military leaders had in the military operations which have continued in north and west Hupsh since May one endeavored unsuccessfully to emulate German "blitzkrieg" tactics. These he said have failed not only because of Japanese deficiencies in strategy and materials and of topographical difficulties, but also because of the adoption by the Chinese of so-called "magnetic" tactics which he defined as the attraction (by withdrawal of Chinese forces) of Japanese forces further into the interior where they can be surrounded and annihilated. General Chiang predicted that Japanese forces west of the Han River will be completely annihilated in the near future.

Referring to the third point General Chiang said that the Japanese motive in wantonly bombing Chungking is to terrorize and demoralize the Chinese people into submission. With this object in view he continued the

Japanese

155

REB -2- #278, From Chungking, June 20 (SECTION TWO)

Japanese have been sending from one hundred to one hundred sixty planes daily to attack Chungking. But he said the numerically small Chinese air force has been able to inflict casualties on the Japanese in every raid and asserted that the losses sustained by the Japanese air force personnel in the last week had been thirty times heavier than those of the Chinese. He declared that the bombing of Chungking was therefore a losing proposition on the part of the Japanese and that Japan would never succeed in cowing the Chinese Government and people into surrender by resorting to ruthless bombing.

(END SECTION TWO)

JOHNSON

NPL

REB

TELEGRAM RECEIVED

PLAIN

156

Chungking via N. R.

FROM

Dated June 20, 1940

Rec'd 8:16 p. m.

Secretary of State,
Washington.

278, June 20th. (SECTION THREE)

Concerning the fourth point General Chiang asserted that "If the entire city (Chungking) should be pulverized our National Government would still hold all its meetings right on this spot". Commenting on the handbills dropped by the Japanese he declared "It is easier to move a mountain than to crush the Chinese peoples' determination to resist".

With regard to the fifth and concluding point General Chiang declared that "Final victory is in our hands" owing (firstly) to the adoption of "magnetic warfare" which prevents Japan from taking advantage of the European war, and (secondly) to the assistance to China of friendly powers which he said are powerful and are outside the European war. China by resisting Japan General Chiang observed not only constitute an important factor in the European struggle but also serves as the
vanguard

157

REB -2- #278, From Chungking, June 20th. (SEC. THREE)

vanguard of Asiatic station in the Far East and the
rear and flank guard of the United States and Soviet
Russia enemies.

Repeated to Peiping and Shanghai. Shanghai please
mail to Tokyo.

JOHNSON

NPL

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

FE

TELEGRAM RECEIVED

JT

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

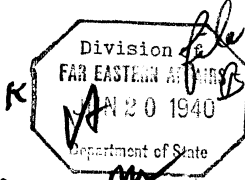
HANKOW VIA N.R.

Dated June 20, 1940

FROM

Rec'd 6 p.m.

Secretary of State,
Washington.



6/21
Shanghai
on 20 mid
kek

June 20, 11 a.m.

My June 18, 1 p.m. and Chungking's June 20, 10 a.m.

Reliable reports from Ichang show Japanese reoccupa-
tion of the city on June 18 and work commenced on repair
of air field.

Japanese naval vessels have not reached even
Shasi, a Japanese naval source explaining that the
river is not open to navigation.

Sent to Chungking. Repeated to the Department,
Peiping, Shanghai.

SPIKER

NK

793.94

793.94 / 15968

JUN 24 1940
RECEIVED

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 Sino-Japanese relations.
Report concerning - for the month of April, 1940.

aa

793.94 / 15969

For the original paper from which reference is taken

See # 150
(Despatch, telegram, instruction, letter, etc.)

Dated May 11, 1940 From | Hankow (Spiker)
To |

File No. 893.00 P.R. Hankow / 154

15969

1. Japan.

1793.94 The Chinese took the initiative away from the Japanese during the course of hostilities in April.**

Chinese regulars and guerrillas were active on all fronts.

The Japanese Army spokesman at Hankow announced on April 9, the voluntary withdrawal of Japanese garrisons from outlying posts to the west of Nanchang, from Fengsin, Kiangsi (江西奉新) and from Macheng, Hupah (湖北麻城). He is quoted as having said, "For several reasons the Japanese forces had retained these topographically disadvantageous positions. However, since the necessity of retaining them no longer exists, the troops in those sectors have assumed new dispositions prepared beforehand."

The Chinese cautiously followed-up the Japanese withdrawal, but in sufficient force and with sufficient persistency to provoke the Japanese into counter-thrusts back into the areas from which they had retired. This action continued, with perhaps the heaviest fighting west of the Nanchang-Kiukiang railway, until the last week of April. The Japanese accomplished nothing tangible and are said to have suffered considerable losses.

Chinese pressure on the Yoyang, Hunan sector increased, especially to the northeast, along the Canton-Hankow railway. Service on the railroad was several times disrupted. At least one serious train wreck is known to have been caused by guerrillas. Chinese action in this area was supported by the Chinese air force (see below). The Japanese responded to these Chinese attacks by (1) dispatching most of their troops in Yoyang to the field and (2) conducting a naval offensive, led by Vice Admiral

Tanimoto's

Political report
April 1940
Hankow, China

-6-

Tanimoto's flagship, H.I.J.M.S. ATAKA, against Chinese positions on the shores of Tungting Lake south of Yoyang. With regard to the former move, it is not clear whether the troops drove south or were transferred to the Nanchang-Kiukiang sector.* At the end of the month Chinese pressure along the Yoyang salient is reported to have relaxed.

Meanwhile, the triangular zone northwest of Hankow between the Peiping-Hankow railway and the Han River, which was expected to be the scene of a Japanese offensive late in April,** was comparatively quiet. The large bodies of Chinese regulars between and behind the Japanese positions west of the railroad did not prevent Japanese preparations for what appeared to be a contemplated offensive based on Suhsien.

The Japanese air force was very active, particularly during the latter half of the month. The existence of the Chinese air force was more felt during April than in any previous month since the fall of Wuhan. Chinese planes carried out two raids on the outskirts of Yoyang on April 3, and 12. Neither attack is believed to have caused the Japanese serious damage, it being reliably reported that on both occasions the bombs exploded outside the city and that no resultant fires were noticeable from the city. The Chinese aircraft were not engaged by Japanese combat planes but were subjected to anti-aircraft fire from the ground which, however, failed to bring down any of the bombers. Communication lines to the south of Sinyang, Honan, were bombed by Chinese aircraft on April

29

* Hankow's telegram of April 22, 2 p.m.

** Hankow's telegram of April 6, 9 a.m.

DECLASSIFIED: E.O. 11652, 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 report
April 1940
Hankow, China

-7-

29, the result of which raids are unknown. In addition,
it was reported but not confirmed that Chinese planes
bombed the vicinity of Hwangpei on April 20, and 29,
Sinyang on April 23, and the Canton-Hankow line near
Puehi (蒲圻) on April 29.

793.94

CROSS-REFERENCE FILE

NOTE

SUBJECT

Prohibition against transit to China of supplies, susceptible of war usage.

Japanese pressure, allegedly, cause of-, Everything connected with China business is at standstill; there is concern as to effect of-, on progress of China-Japanese conflict.

793.94 / 15970

For the original paper from which reference is taken

See Tel #-; 2pm
(Despatch, telegram, instruction, letter, etc.)

Dated June 18, 1940 From Saigon (Reed, at Hanoi)
To

893.24/746
File No. _____

15970

3430

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

FOR THE PRESS



JUNE 13, 1940
No. 287

793.94

In response to inquiries from correspondents in regard to reports of the bombing of Chungking yesterday, the Secretary of State said that according to information which has reached the Department from official and unofficial sources, Chungking has been extensively bombed on each of several recent days and yesterday was intensively and indiscriminately bombed by more than one hundred Japanese planes; that yesterday's casualties among the civil populace will probably number several hundred; that various buildings of the American Methodist Mission, including a church, were damaged by concussion; and that two groups of Japanese planes flew over the American Embassy premises but no bombs fell in the immediate vicinity of the Embassy. The Secretary added that the attitude and the position of the people and the Government of the United States toward ruthless bombings of civilian populations have been made abundantly and frequently clear, and that we wholeheartedly condemn such practices wherever and whenever they occur.

JUN 18 1940

FILED

F/FG

15701

793.94/15971

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



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

DCR
file
mmh

AMERICAN EMBASSY
Tokyo, March 27, 1940.

Confidential

Dear Mr. Hamilton,

I have received and read with much interest
your confidential letter of February 12 and its en-
closures, namely a copy of a letter to the Japanese
Minister for Foreign Affairs drafted by Mr. Roger S.
Greene, under date of February 2, and a copy of a
letter of February 3 to Mr. Greene from Mr. Frederick
Moore. I would be interested to know whether Mr. Greene's
proposed letter to Mr. Arita actually goes forward. Some
very sound arguments are brought out in it.

Sincerely yours,

Joseph E. Gurn

Maxwell M. Hamilton, Esquire,
Department of State,
Washington, D. C.

JUN 21 1940

FILED

793.94 / 15972

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

DCR
file
mnh

June 17, 1940.

CONFIDENTIAL

Dear Mr. Grew:

Referring to your letter of March 27 in
acknowledgment of my letter of February 12, I
happened to see Mr. Roger S. Greene today and he
mentioned to me casually that his proposed letter
to the Japanese Minister for Foreign Affairs had
finally been sent forward, with some amendments,
to former Minister for Foreign Affairs Yoshizawa.

Sincerely yours,

mnh

The Honorable

Joseph C. Grew,

American Ambassador,

Tokyo, Japan.

MMH/REK

REK

793.94 / 15972

F/FG

793.94



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 552.

Chungking, June 2, 1940

Subject: Bombing of Chungking on May 28, 1940.

AIR MAIL

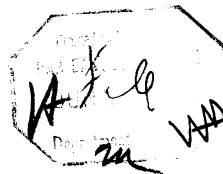
Confidential

RECEIVED
DEPARTMENT OF STATE

1940 JUN 21 AM 10 59

DIVISION OF
COMMUNICATIONS
AND RECORDS

793.94



For Distribution-Check		Yes	No
Grade			
For	In U.S.A.		<input checked="" type="checkbox"/>

The Honorable

The Secretary of State,
Washington, D. C.

Map in FE/Room 374A
W

Sir:

I have the honor to refer to my despatch no. 551, May 29, 1940, and my telegram no. 236, June 2, 11 a.m., in regard to the aerial bombing attacks conducted by Japanese airplanes on Chungking on May 28, 1940.

- 1/ In this connection there is enclosed a copy of a memorandum prepared by the Assistant Naval Attache, together with a map, showing the areas in which bombs were dropped. It is regretted that only one copy of this map is available for transmission. It will be evident from a perusal of the map that there was a heavy concentration of bombs in proximity to the French and Russian embassies.

It may be well to relate that in the course of this same attack the structure housing the Ministry of Education and the Municipal Government of Chungking was struck and badly damaged.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Enclosure:

1/ Copy of memorandum and map

Original by air mail to Department
Four copies by pouch to Department (no map)
Copy to Peiping (no map)
Copy to Tokyo (no map)

EFD:MCL

793.94/15973

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

Enclosure No.1 to despatch No.552 dated June 2,1940,
from American Embassy at Chungking on subject "Bombing
of Chungking on May 28,1940".

(C O P Y)

OFFICE OF THE NAVAL ATTACHE
AMERICAN EMBASSY
CHUNGKING,

2 June,1940.

MEMORANDUM FOR THE AMBASSADOR

Subject: Bombing of Chungking, May 28,1940.

1. There is submitted herewith a map on which the areas bombed by the Japanese on May 28,1940, have been plotted. This map has been checked with a sketch supplied this office by the French Military Attache whose information checked very accurately with the results of the inspection made on the afternoon of May 28,1940, by Mr. Drumright and myself plus further investigations which I have made since that date. It should be borne in mind that the blue arrows on the map show only the axis of flight and that the area bombed or threatened is actually quite wide since the Japanese habitually fly with their planes disposed laterally on a slightly semicircular line, each unit of three planes flying in a "v" formation. In the case of the last flight on May 28,1940, which passed over this Embassy with its right element, the center planes bombed the Chia Ling River and Kiang Pei area as shown on the map, one of these bombs apparently sticking for a moment in the rack and then dropping in the Yangtze as shown about 600 yards from the U.S.S.TUTUILA. A second stray bomb, which apparently was dropped from a plane in the left element of the formation, landed behind the Canadian Mission Hospital on the South Bank.

2. It is evident from the above instances alone that the flight of Japanese bombers over this Embassy or other foreign missions exposes such localities to grave

danger

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

danger, not only to stray bombs but also to any slight error on the part of the Japanese in dropping their main load or from sudden disruption of their formation by chance hits from anti-aircraft guns. It is difficult to escape the conclusion, however, that the first two flights at 11:10 A.M. were deliberate attacks upon the foreign embassies. The Russian Embassy was completely bracketed by bombs, two even striking the north wall of their compound, while a lag of a split second in the release of bombs by the adjacent formation would have dropped over twenty bombs right on the French Embassy. It will be noted also that bombs dropped dangerously near both the Belgian and Dutch missions. Attention is also invited to the last bombs dropped by this formation which struck in the Yangtze and on the hill to the east of the Standard Vacuum Oil Co. Installation.

Respectfully submitted

J.M.McHugh
Major, U.S.M.C.
Acting Naval Attache

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



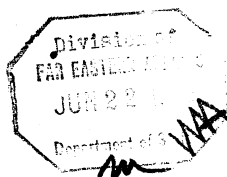
EMBASSY OF THE
UNITED STATES OF AMERICA

No. 553.

Chungking, June 3, 1940

Subject: Further Japanese Bombing of
Chungking Area.

AIR MAIL



For Distribution-Check		Yes	No
Grade	To field		<input checked="" type="checkbox"/>
For	In U.S.A.	<input checked="" type="checkbox"/>	

ONLY 1112

793.94
RECEIVED
DEPARTMENT OF STATE

1940 JUN 21 AM 10 57

DIVISION OF
COMMUNICATIONS
AND RECORDS

COMMERCIAL AFFAIRS
Department of State

JUN 25 1940

TO THE HONORABLE
THE SECRETARY OF STATE

Washington, D. C.

Sir:

Continuing my despatches nos. 551 and 552 of May 29 and June 2, 1940, respectively, I have the honor to report that Japanese airplanes carried out further aerial bombing attacks on May 29, 1940 against the industrial and educational areas situated immediately west of the City of Chungking. It is learned that the area near Tsechikou (磁器口) and Shapingpa (沙坪坝), villages situated on the main highway about ten miles from Chungking, were heavily bombed and some damage inflicted. Along the properties affected were the those of Chungking University, which sustained considerable damage; the Provincial College of Education, where seven students were killed; and the Yu'Foong Cotton Mill, the structure of which was damaged and an unknown number of cotton spindles damaged and destroyed. During this same raid the Japanese experienced one of their rare successes in bombing

793.94/15974

F/FG

AIR MAIL

- 2 -

a military objective in the Chungking area; bombs struck and partly demolished a small arsenal in the vicinity of Tsechikou. Apart from the instances of damage related above, it appears that property damages were negligible. Total casualties resulting from the raid, including the students above-mentioned, appear to have numbered about fifty persons.

Air alarms were sounded in Chungking on May 30, or the fifth successive day that this had occurred, but no Japanese airplanes penetrated to the vicinity of Chungking. There have been no alarms or raids since May 30, thus affording a welcome respite from the persistent activities of the Japanese air forces during the past three weeks.

Respectfully yours,



Nelson Trusler Johnson

Original (by air mail) and four copies to Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo

711.6/710

EFD:MCL

CROSS-REFERENCE FILE

NOTE

SUBJECT

Sino-Japanese relations.

Report concerning - for month of April, 1940.

aa

793.94/15975

For the original paper from which reference is taken

See # -
(Despatch, telegram, instruction, letter, etc.)

Dated May 6, 1940 From | Tsingtao (Sokobin)
To |

File No. 893.00 P.R. Tsingtao/142. .

15975

2. Japan.

793.94
There were no public demonstrations of importance to celebrate General Abe's mission to Nanking. The news of the mission did not appear to have been received with any extraordinary acclaim nor did there appear to be much enthusiasm, spontaneous or otherwise, such as was demonstrated on the fall of Hankow and the issuance of Kenoyo's statement. The impression

*Tsingtao's despatch no. 488 of April 12, 1940, file no. 850.1, subject: Request of Chinese Municipal Administration for Labor and Capital Statistics of American Firms, etc.

**Tsingtao's strictly confidential despatch no. 350 of April 23, 1940, file 861.5, subject: Shipment of Vegetable Oils to Germany from Tsingtao.

7 4 4

DECLASSIFIED: E.O. 11652, 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 -

gained was that the Japanese community in Tsingtao is settling to its task of economic recovery, and like the Chinese business man, prefers to eschew politics.

Japanese Assertion of Belligerent Occupation

The Japanese naval authorities through the Japanese Consulate General and the American Consulate presented to the Commander in Chief of the United States Asiatic Fleet and the commanding officer of the U.S.S. Canopus, the senior officer afloat, certain desiderata in regard to exchange of salutes. Certain anchorages were designated. Under the heading "General" the following appeared:

"Navy pier and Pagoda pier are under occupation of Japanese Navy from military necessity, but in view of existing friendly relations the privilege of the use thereof by the American Navy will be extended from the standpoint of good will and it is desired that the following will be observed:"

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

G-2 Report

U.S.
NO OBJECTION TO PUBLICATION
IN SERVICE JOURNALS.

9900
OFFICE OF STATE
MIL. INTELL. DIV.

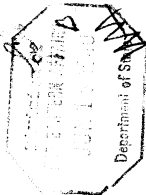
JUN 17 1940

2657-A-1437
1237
WAR DEPARTMENT

CHINA (Aviation -
Military)

Subject: Air Combat Operations

Tabulation of Japanese Air
Losses in China.



Herewith three tables showing Japanese air losses in China from the start of hostilities to the end of February, 1940. They were furnished me in Chinese by the Chinese Aeronautical Affairs Commission at Chengtu, Szechwan.

793.94/15976

F/FG

FILED

JUN 22 1940

William Meyer
Major, Field Artillery
Military Attache

May 7, 1940

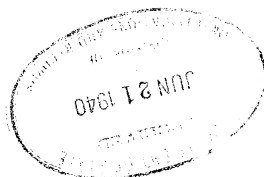
Report No. 9876

From M/A, China

NO OBJECTION TO PUBLICATION
IN SERVICE JOURNALS.

Encls: 3 tables

Distribution:
6 G-2
1 File



793.94
sub T
794.248

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

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNALS.

6-2-
 2627-H-439
 WAR DEPARTMENT

JAPANESE AEROPLANE LOSSES AS GIVEN BY THE
 SECOND SECTION OF THE GENERAL STAFF OF THE
 AERONAUTICAL AFFAIRS COMMISSION: 29 MARCH,
 1940

Date	Brought down by us and not found or crashed in enemy territory	Forced landings	Brought down by artillery	Brought down by ground forces	Brought down by A. A. fire	Destroyed by bombing	Destroyed by aerial attack	TOTAL
1937								
August					3		61	64
September			10		11	30	18	69
October				52	20	13	6	91
November				2	3		1	6
December					3		5	8
January 38					4	60	2	66
February					6	27	24	57
March				25			12	37
April	22			9		3	42	78
May	3			9	1	3	16	32
June	1			4	1		14	20
July					11	41	8	60
August	1	16			2			19
September				2	6		5	13
October			1	2	11		5	19
November		2		2	1		2	7
December		1						1
January 39					4			4
February		1			3	3	15	22
March	1	2		2	5			10
April	2			8	2	2	2	16
May		1		4	5		3	13
June		4			4			8
July		6						6
August		1						1
September	4	1			1			6
October		2			3	58	3	66
November					2		2	4
December		3			2	8	8	21
January 40		2			2	3	1	8
February		2			2		1	5
TOTALS	34	44	11	121	118	153	256	837

- Notes: 1. These losses have been substantiated by letter or telegram.
 2. If other losses are subsequently proved the grand total will be amended next month.

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNALS.

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNALS.

TYPES OF JAPANESE PLANES DESTROYED

Date	Un- known	Fight- ers	Sea- plane	Pur- suit	Re- con.	LB's	HB's	TOTAL
August 37			3	6		27	28	64
September	38				4	25	2	69
October	75		2	2	2	7	3	91
November			2			1	3	6
December			1	4	1	1	1	8
January 38	61		2	2		1		66
February	30		2	13	1	9	2	57
March	25			2	2	8		37
April	41		3	14	2	6	12	78
May	10		3	9	1	5	2	32
June	5		3	9			1	20
July	44	2		7		4	3	60
August				17		2		19
September	5		1		1	2	4	13
October	10			1		1	7	19
November				1		1	5	7
December	1							1
January 39	1				1	2		4
February	5		1				16	22
March	7					1	2	10
April	10			2	1		3	16
May	8					2	3	13
June	2		1	1	1	2	1	8
July	1			2		1	2	6
August					1			1
September	2						4	6
October	59			3	1	1	2	66
November	2						2	4
December	10			9			2	21
January 40	7				1			8
February	3						2	5
GRAND TOTALS	462	2	28	104	20	109	112	837

- Notes: 1. Planes lost by forced landing in enemy-occupied territory are not included.
 2. For various reasons the types of certain planes brought down are not known, e.g., those totally destroyed, forced down in enemy-occupied territory, etc.
 3. This table is reliable and has been substantiated by letter or telegram.

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNALS.

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNAL.

JAPANESE AVIATION PERSONNEL KILLED,
 CAPTURED OR UNACCOUNTED FOR

<u>Date</u>	<u>Escaped</u>	<u>Killed</u>	<u>Captured</u>	<u>TOTAL</u>
August 37	6	177	13	196
September	9	78	1	88
October		51	3	56
November		21	2	23
December		12	1	13
January 38		10		10
February		56	1	57
March	3	38	2	43
April		105	2	107
May		67		67
June	6	7	1	14
July	6	23	7	36
August		8	2	10
September	2	37	6	45
October		13	2	15
November		17	1	18
December		2		2
January 39		6	2	8
February		45		45
March		13	1	14
April		7		7
May		31		31
June	3	12	1	16
July	1	21		22
August	1	1		2
September		7		7
October	1	119	1	121
November		15		15
December	2	18		20
January 40		11		11
February		7		7
TOTALS -	40	1,035	51	1,126

- Notes: 1. Proved total - 1,126
 2. Estimated numbers based on the various types of machines destroyed: 2,592
 3. The estimated total of killed and wounded from August, 1937 to June, 1939, is 2,818:
- (i) Heavy Bombers - six men. TOTAL 686
 - (ii) Pursuit planes- one man. " 90
 - (iii) Light Bombers, reconnaissance, seaplanes and fighters -
 - two men each" 308
 - (iv) Types unknown but appear to carry two or more men " 1,134

NO OBJECTION TO PUBLICATION
 IN SERVICE JOURNAL.

TELEGRAM RECEIVED

EH

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

FROM

Hong Kong via N.R.

Dated June 22, 1940

Rec'd 9:38 a.m.

Secretary of State,
Washington.



6/24
shown to DND
& MID
Kdr

199, June 22, noon.

About 400 Japanese troops landed this morning at Nantao near the Hong Kong frontier. It is assumed here that they propose to reoccupy the Tungsum district just north where there has been much guerrilla activity recently. Several Japanese planes also flew along the frontier and one dropped two bombs at Shumshum allegedly to frighten the magistrate who has been showing anti-Japanese activity.

These troops and planes may be aiming at Shauchung on Mirs Bay which is a customs station through which large quantities of kerosene and gasoline have been moving north through Tamsui and Waichow where there are strong guerrilla forces. Observers say the landing at Nantao is so far not accompanied by artillery.

There is considerable excitement in Hong Kong because of rumors that landing is advance movement against this colony to coincide with movement against Indochina.

I have

793.94/15977

F/G

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

-2- 199, June 22, 12 noon from Hong Kong.

I have so far no information reasonably confirming these rumors.

Sent to the Department, repeated to Chungking, Canton and Peiping for Tokyo.

SOUTHARD

WWC

TELEGRAM RECEIVED

158

MJD

CANTON

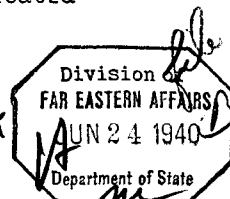
This telegram must be
closely paraphrased
before being communicated
to anyone. (BR)

FROM

Dated June 23, 1940.

Rec'd. 11:20 a. m.

Secretary of State,
Washington.



6/24
Shannon
DND + MJD
KCK

58, June 23, 5 p. m.

Reference Hong Kong's 169, June 22, noon, to the
Department.

The Japanese military authorities in Canton yesterday released a statement concerning the landing of Japanese troops near the Hong Kong border. According to this statement five Japanese detachments landed at Pohn early on June 22 and began the occupation of the border area for the purpose of cutting the routes over which supplies from Hong Kong were reaching Chinese forces. It was also stated that despite the unprecedented difficulties in which it is now placed, Great Britain still pursues the policy of aiding Chiang Kai Shek and that because of this fact operations had to be initiated.

It seems likely that this military movement may be designed primarily to put a stop ^{to} the flow of Chinese Government supplies via Hong Kong and to exert pressure in connection with proposed demands that the Burma road be

closed

793.94 / 15978

F/G

793.94

159

MJD - 2 - No. 58, June 23, 5 p.m., from CANTON.

closed to military supplies. HOWEVER, this movement seems to lend support to the growing belief that the Japanese intend sooner or later to occupy Hong Kong and French Indochina.

Sent to the Department. Repeated to Chungking, Hong Kong and Peiping for Tokyo.

MYERS

PEG

DECLASSIFIED: E.O. 11652, 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

6/25
Reference Hanken's 47,
June 22, 9 AM...
as surmised by
FE, Hanken's protests
were confined to any
action which might
imperial American lives
and property rather
than to specific injury
caused by the recent
bombing of Ichang.

No action required.

RCM

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

TELEGRAM RECEIVED

EH

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

FROM

Hankow

Dated June 22, 1940

Rec'd 12:16 p.m.

Secretary of State
Washington.



47, June 22, 9 a.m.

20?

Referring to the Department's June 21, 5 p.m. and
my June 17, 4 p.m. to Chungking. /15, 55-

Radio report made to this office on the afternoon of
June 17, by the Lutheran Mission at Ichang (?) machine
gunning of foreign property but gave no indication of
nationality. Inquiries addressed by me to the British
Consul General to clarify the matter elicited the reply
that he had received a similarly ambiguous reference to
foreign property in a report from a British firm and that
he had lodged a protest with the Japanese Consulate General.

(END OF SECTION ONE) Sent to the Department repeated
to Chungking, Peiping, Shanghai.

SPIKER

WWC

793.94/15979

F/G

JUN 27 1940

TELEGRAM RECEIVED

CORRECTED COPY

JH

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

FROM

Hankow via N. R.

Dated June 22, 1940

Rec'd 12:30 p.m.

Secretary of State,

Washington.

15979

47, June 22, 9 a.m. (SECTION TWO)

Two. While the American and British reports in
Combination indicated a possible general machine
gunning of foreign properties, in my immediate
representations to the Japanese Consul General
I carefully refrained from any statement that American
(repeat American) properties had been machine gunned but
did report that I had been machine gunned; reminded the
Japanese Consul General of previous notification (the
latest sent that morning) that 12 American citizens
are resident in 4 missionary establishments and one
business firm in Ichang; protested against any action of
the Japanese military authorities which might imperil
the lives and property of American (repeat American
nationals); requested prompt action and issuance of
immediate instructions to prevent attacks upon American
life and property.

Three. No further information has been received
to indicate whether or not American property suffered
damage

793.94/15979

FE

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

-2- #47, June 22, 9 a.m. (SECTION TWO) from Hankow.

damage from the machine gunning.

Sent to the Department. Repeated to Chungking,
Peiping and Shanghai. END MESSAGE.

SPKER

CSB

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

*See corrected copy.
C. J. V.*

JR

TELEGRAM RECEIVED

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

Hankow via N. R.

Dated June 22, 1940

FROM

Rec'd 12:30 p.m.

Secretary of State,
Washington.

47, June 22, 9 a.m. (SECTION TWO)

Two. While the American and British reports in (?)
indicated a possible general machine gunning of (?) foreign
properties; in my immediate representations to the
Japanese Consul General I carefully refrained from any
statement that American (repeat American) properties had
been machine gunned but did report that I had been informed
that foreign (repeat foreign) properties had been machine
gunned; reminded the Japanese Consul General of previous
notifications) the latest sent that morning (that 12
American citizens are resident in 4 (?) establishments
and one business firm in Ichang (?) protested against any
action of the Japanese military authorities imperil(*)
the lives and property of American (repeat American
nationals): (?) prompt action and issuance of immediate
instructions to prevent attacks upon American life and
property (?) no further information has been received to
indicate whether or not American property suffered damage
from the machine gunning.

Sent

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- #47, June 22, 9 a.m. (SECTION TWO) from Hankow via N.R.

Repeated to Chungking, Peiping and Shanghai. END
MESSAGE.

SPIKER

(*) Apparent omission

NOTE: Verification and repetition of the section has been
requested.

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations.
Report concerning - for the month
of April, 1940.

aa

733.94 / 15980

For the original paper from which reference is taken

See # 197
(Despatch, telegram, instruction, letter, etc.)

Dated May 7, 1940 From Foochow (Ward).
To

File No. 893.00 P.R. Foochow/147

15980

B. Relations with Japan.

743.94
1. Absence of aerial activity. On April 4 a lone Japanese plane circled through the interior of the district to Chekiang; on April 18 one flew across it from the sea to Kiangsi Province; on the 21st a reconnaissance was conducted over the Chekiang-Fukien border; on the 26th over Futsing, and on the 28th over Diongloh; but there was not a single bomb dropped in the whole district throughout April.

2.

-2-

2. Japanese fleet sails away. The Japanese fleet concentration off Amoy which had occasioned obvious uneasiness among ranking military leaders here at the close of March was dispersed in the first days of April, and throughout the balance of the month the only Japanese naval activities affecting this district were the occasional visits of Japanese gunboats at the mouth of the Min.

3. Wang Ching-wei denounced. The Nan Fang Jih Pao of April 3 reported the circulation on April 1 of a telegram bearing the signatures of General Ch'en I, Chairman of the Provincial Government, Lieutenant-General Ch'en Ch'i, Major-General Chao Nan, Rear-Admiral Li Shih-chia, Major-Generals Wang Chi-hsiang, Ch'ien Tung-liang, and Shih K'e-chin, and all the civil commissioners of the Provincial Government, bitterly denouncing Wang Ching-wei for his betrayal of the Chinese cause.

This was followed on April 5 by a similar message circulated by the Fukien Provincial People's Political Council, which in addition to its denunciation of Wang gave explicit pledges of continued loyalty to Generalissimo Chiang Kai-shek. These two messages were followed by various others of the same sort, while during the first two weeks of April numerous special meetings to denounce Wang were also held.

An interesting expression of popular feeling locally was the movement started to cast a kneeling statue of Wang Ching-wei to commemorate him as one of the historic Chinese traitors, comparable to

Ch'in

-3-

Ch'in Auei (秦檜), the Premier of the Sung Dynasty, who betrayed the hero Yueh Fei (岳飛), and whose statue is cast in a kneeling position before the latter's tomb in Hangchow.

4. Aid for the wounded. To further the drive to assist wounded soldiers, urban residents of northern Fukien were during April urged to contribute to soldiers' benefits the price of one bowl of food every time they entertained at a restaurant. Three platforms were also set up at central points in the city for the collection of voluntary contributions.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict: developments of April, 1940.

For the original paper from which reference is taken

See #143
(Despatch, telegram, instruction, letter, etc.)

Dated May 11, 1940 From Chefoo (Roberts)
To

File No. 893.00 P.R. Chefoo/157

793.94/15981

15981

793.94

M. Relations with Other Countries:

(1) Japan:

(a) Military Situation.

793.94
There has been no change in the military situation since the last report and the Japanese military authorities held the principal ports and towns in this Consular District. Travelers from the interior report seeing groups of two hundred Japanese soldiers operating in the interior. Sniping and surprise night attacks are made on the Japanese military posts by bands of guerrillas. The attacks usually consist of a few shots fired in the dark to annoy the occupying forces and do not have any particular military significance.

Reports from the interior are that the guerrilla operations in the countryside are spasmodic and poorly organized. The morale of the guerrillas is said to have been weakened and their warfare seems to have degenerated into banditry exacting a heavy toll from the population.

TELEGRAM RECEIVED

JI

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

FROM

Hong Kong via N. R.

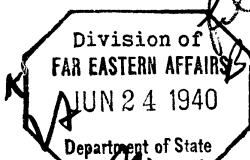
Dated June 23, 1940

Rec'd 11:20 a.m.

Secretary of State

Washington

201, June 23, noon.



*6/25
Shumshu and
Miao
kek*

Referring to my telegram No. 199, Japanese troops

about 1000 in all are now in occupation of Shumshum and other points on the frontier. Three Chinese were killed and about a dozen wounded by bombs at Shumshum and approximately the same casualties were caused by the bombing during the day of the customs station at Shauchung on Miao Bay. The British side of frontier is manned by troops for police purposes.

There are now reasonably certain indications that the Japanese reoccupation of the frontier zone is mainly to kill the contraband trade which during recent months has been growing steadily with estimated 1,000 tons of kerosene and gasoline entering from Hong Kong via Miao Bay daily. A small Japanese force is expected to land at Bias Bay to attack Waichow, a center of contraband trade a few miles inland from Miao Bay.

Repeated to Canton, Chungking and Peiping for Tokyo.

SOUTHEARD

EMB

793.94/15982

F/A

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

HSM

TELEGRAM RECEIVED

Chungking via **DEPT. OF STATE**

Dated June 24, 1940

FROM

Rec'd 12:45 p. m.

Secretary of State,
Washington.



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

June 24, 1940

294, June 24, 7 p. m.

Two groups numbering about sixty-two Japanese planes this afternoon bombed the central business and residential district of Chungking as well as the northern suburb Kiangpsh. Civilian casualties probably will number about fifty persons. Property damage once again largely private in character, does not appear to be extensive though demolition and incendiary bombs were dropped over a wide area. Three bombs fell in the compound of the British Embassy damaging the office building and residences but there were no casualties.

All Americans appear to be safe. So far as is known damage to American-owned property appears to have been limited to the partial destruction of a compound wall of the Lewis Memorial Institutional Church of the American Methodist Mission.

Sent to the Department. Repeated to Peiping, Hankow, Shanghai. Shanghai please relay to Tokyo.

JOHNSON

HSM

LEGAL ADVISER

JUN 26 1940

DEPT. OF STATE

*793.94
393.1163 m. 26*

793.94/15983

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

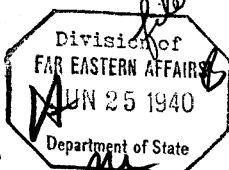
PLAIN

FROM Chungking via N. R.

Dated June 25, 1940

Rec'd 11:05 a.m.

Secretary of State,
Washington.



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

June 25. e.j.v.

298, June 25, 7 p.m.

793.94
This afternoon two groups of Japanese bombers numbering about sixty machines bombed the southwestern section of Chungking and nearby suburban areas. Information concerning casualties and property damage is not immediately available. It is believed that all American nationals are safe.

Sent to the Department. Repeated to Peiping, Shanghai, Hankow. Shanghai mail to Tokyo.

JOHNSON

TFV

793.94/15984

F/FG

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

*Concern in the view
that we should not August 6, 1940.
MMH: make representations, at least for the present.*

Attached is a memorandum prepared by Mr. Weil outlining information received in response to the Department's 120, July 15, 8 p.m. to Chungking, which was occasioned by the question of possible representations by the French authorities raised by the Counselor of the Chinese Embassy in conversation with Mr. Hamilton on July 9. Mr. Liu mentioned reports that a portion of the rails of the Yunnan-Indochina Railway had been removed on July 3 by order of the Government of Indochina.

The

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

-2-

The gist of this matter appears to be that, while one rail near the Chinese border was "ceremoniously" removed on July 3 under orders of the Governor General of Indochina for the benefit of the Japanese Commission, that rail was subsequently relaid, and the only actual damage to the rail^{road} was that inflicted by Chinese who previously (June 22) destroyed a bridge and a section of track some 33 kilometers north of the Indochina border.

In the light of the present situation in Indochina and the uncertainties in the future as indicated in press despatches reporting that the Japanese were seeking military bases in Indochina, the question

of

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

-3-

of making protest to the French authorities in regard to questions affecting the railway does not seem worth even academic consideration and it is doubtful whether Mr. Liu will pursue this inquiry further.

GA
FE:Atcheson:ELS

746
DECLASSIFIED: E.O. 11652, 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
AUG 3 - 1940
DEPARTMENT OF STATE
Department of State
DIVISION OF FAR EASTERN AFFAIRS

August 6, 1940.

~~RM~~
~~RM~~
~~RM~~
~~RM~~
JWB
MMH

Interference with Traffic on
Indochina-Yunnan Railway follow-
ing collapse of French in Europe

Damage effected by Chinese: On June 22, 1940 a bridge on the Indochina-Yunnan Railway, 33 kilometers north of the Indochina border, and a section of adjacent track were destroyed under orders of the Chinese Ministry of Communications, presumably owing to fear of a Japanese invasion by railway. Orders were also issued to prevent movement from Yunnan into Indochina of an abnormal amount of rolling stock (which might be utilized by the Japanese). (Chungking's telegram June 25, 4 p.m. quoting Kunming's June 24, 7 p.m.; Kunming's despatch no. 98, July 2, 1940, "Possible Political Effect in Yunnan of Recent Changes in Indochina Situation".)

While repairs were not completed until the middle of July, passenger traffic was resumed "very soon" after June 22. On July 20 freight traffic, suspended prior to June 22, had not been resumed, although goods consigned to diplomatic and consular offices in China had been passed through.

According

746

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

-2-

According to the French Consul General at Kunming, the Chinese had made preparations to damage the railway again in the event of an attempted Japanese invasion. (Chungking's 361, July 26, 9 a.m.)

Stoppage of traffic by French: In a statement issued on June 23 the Chinese Foreign Minister, referring to the Sino-French Convention of May 16, 1930, said the failure of the French Government "to take a strong stand" against Japanese demands to stop traffic on the railway could "only encourage further disturbance of the peace in the Far East"; he added that his Government, in view of the possible use of Indochina by the Japanese as a base for the invasion of China would be "constrained to take such measures in self-defense as might be deemed necessary." (Chungking's 295, June 25, 9 a.m.)

On July 3d, under orders of the Governor General of Indochina, a rail length of track near the Chinese border was ceremoniously removed in the presence of the Japanese Commission, and subsequently relaid. (Chungking's 368, July 29, 10 a.m.)

On July 6 the Chinese Vice Minister for Foreign Affairs informed the Counselor of

Embassy

) 4 b

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

-3-

Embassy at Chungking that his Government had protested to the French Ambassador against French compliance with Japanese demands regarding traffic on the railway; the Vice-Minister stated, however, that little if any assistance could be expected from the French, and that if Japan sent troops into Indochina, China would do likewise. (Chungking's 322, July 6, 9 a.m.)

On July 9 the Counselor of the Chinese Embassy showed Mr. Hamilton a telegram from his Foreign Office stating that the managing director of the railway had expressed to the Chinese Consul General at Hanoi the hope that the Chinese Government would make a strong protest to the French Government (this had already been done), and that the American Government might also protest. (FE's memorandum of conversation July 9). Mr. Atcheson doubted whether representations to the French would prove productive; he also pointed out that the Chinese themselves might eventually wish to destroy the railway, a contention supported by Chungking's telegrams no. 361, July 26, 9 a.m. and no. 368, July 29, 10 a.m., respectively, sent in reply to the Department's 120, July 15, 8 p.m. to Chungking, requesting all pertinent facts. According

to

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

-4-

to the Consul at Hanoi the belief prevails in that city that the Chinese have already perfected measures for destroying a section of the railway should it appear necessary to hamper a Japanese invasion.

In his telegram of July 28, 3 p.m. the Consul reported the departure of General Nishihara, possibly because his superiors believed he had been too lenient.

According to press reports from Vichy dated August 4, (reportedly denied by the Japanese Foreign Office), the Japanese have demanded the right to establish naval and military bases in Indochina; and a new trade agreement. A New York Times despatch from Shanghai dated August 4 states that the Japanese had demanded the right to move troops across Indochina; the right to base naval planes there, and to fly military and commercial planes over all parts of Indochina; the right to control all tonnage passing through ports of northern and central Indochina; cessation of French work on all fortifications; and full support in development of Japanese trade.

Comment: In view of the apparently helpless position of the French authorities, it is difficult to believe that a protest

to

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

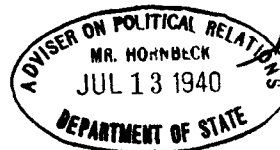
-5-

to the French Government would serve any useful purpose. It would appear that if any protest is made it should be directed to the Japanese Government, but there is no reason to believe such a protest would have any effect unless it were backed by a specific threat to retaliate against Japanese trade in the United States by invoking penalties provided in section 338 of the Tariff Act of 1930, and/or other well known forms of economic pressure. And if such a warning were issued in an effort to obstruct complete Japanese domination of East Asia and the South Seas, it might well cover not only Japanese interference with American trade in Indochina, but also Japanese efforts to throttle American trade throughout occupied China--efforts which are meeting with rapidly increasing success.

TW
FE:Well:BLS

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

TELEGRAM RECEIVED



JUL 15 1940

JR

FROM

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

Yunnanfu via Chungking & N. R.

Dated June 25, 1940

Rec'd 11:10 a.m.

Secretary of State,
Washington.



*6/26
Shaw to Ord
a.m. to
Kek*

June 25, 4 p.m.

FOLLOWING FROM YUNNANFU "June 24, 7 p.m.

It is confirmed that 30 meter railway bridge at kilometer 53 north of Hekow was damaged by Chinese attempt to destroy it morning of June 22. Technical workers of Suifu-Yunnan Railroad Company, apparently excited at possibility of Japanese invasion by railroad, said responsible. Repairs expected to be completed within a short time.

Freight traffic will probably continue suspended in any case pending clarification of the situation in Indochina, rail officials state. Passenger service continues."

Sent to Department. Repeated to Paiping. By mail to Hanoi.

See 711.94/1558

MEYER

TFV

793.94 / 15985

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

RAW

Hongkong via N.R.

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

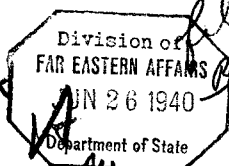
FROM

Dated June 25, 1940.

Rec'd, 1:40 p.m.

Secretary of State,

Washington.



203, June 25, 11 a.m.

/15782

In continuation of my telegram No. 201, June 23,
noon.

The Japanese troops on the frontier appear to be
increasing slowly with the addition of minor units of
artillery and mechanized equipment but with so far no
identifiable threat to cross the frontier.

This Government is undoubtedly considering serious
possibilities as there has been further hasty placing of
barbed wire entanglement on the beaches and at the head
of ravines leading to the sea. Heavy artillery has been
brought from the Kowloon territory to Hong Kong Island
and mobile mountain gun batteries are establishing camps
at strategic places on the peak. It appears that a mili-
tary attempt would be made to defend Hong Kong Island but
not the leased territory. Apparently no naval defense is
planned (see my telegram no. 198, June 20, 3 p.m.).

Many cases of confidential records are being shipped
to Singapore. A tense feeling is evident in the Colony.

Sent

793.94/15986

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

-2- #203, June 25, 11 a.m., Hongkong via N.R.

Sent to the Department. Repeated to Chungking, Canton,
and Peiping for Tokyo.

SOUTHARD

TFV

DECLASSIFIED: E.O. 11652, 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

Department of State

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTIAL
☒ PLAIN

Washington,

June 22, 1940

AMEMBASSY,

TOKYO (JAPAN).

2 / 8 TWENTY-SECOND

At the press conference on June 22, in response to an inquiry concerning reports of Japanese concentrations in Hainan, the Secretary said that he had no repeat no word except a press report. In response to inquiry whether he had any thought of bringing press report to Japanese Government's attention as in case of Dutch East Indies, the Secretary said that we do not repeat not know yet just what has occurred and will have to obtain definite facts. In response to a further inquiry whether as a general principle this Government does not repeat not view with uneasiness any change of the status quo in the Pacific area, the Secretary said that there was not repeat not much which he could add to what he has said previously on that general subject. A correspondent inquired whether our policy as previously announced was not repeat not that this Government opposes any change in the status quo by force. The Secretary remarked that it will be noted that our statements have

Enciphered by _____

Sent by operator _____ M., _____, 19____

793.94
note
790.94
✓

793.94 / 15986A

F/FG

7 4 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

PREPARING OFFICE
WILL INDICATE WHETHER
Collect
Charge Department
OR
Charge to
\$

TELEGRAM SENT

Department of State

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTIAL
PLAIN

-2-

Washington,

7.7.74.
elaborated rather fully our views on all of the ques-
tions that have arisen over there and that he would
prefer merely to ~~draw~~ ^{call} attention to these statements
rather than to attempt at this time to restate their
substance, which would require some time.

Hull
D.H.

EQC.
FE:EGG:HES

FE
7.7.74.

PA/A
C.I.
8

OR.
JUN 22 1940
1:15

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 D. Gustafson NARS, Date 12-18-75

RDS

TELEGRAM RECEIVED

PLAIN

Chungking via N.R.

Dated June 26, 1940

FROM

Rec'd 8:50 p.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS

JUN 27 1940

Department of State

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

June 27, 1940

Tel. to Tokyo June 29.

300, June 26, 8 p.m.

Three groups numbering in all about 85 Japanese planes intensively, widely and indiscriminately bombed the central, southern, and western business and residential districts of the city of Chungking this morning. A personal investigation of the bombed areas revealed widespread destruction of business, residential and institutional property. In no case was there to be observed destruction of property of a "military character". Among the buildings damaged or destroyed in today's raid were those of the Ministry of Foreign Affairs, the Bank of China, the Soviet Russian Embassy, the Friends Mission, the Chinese Y.M.C.A., and the Canadian Mission hospital. Casualties appear to have been very light.

All American nationals are thought to be safe. It appears that American-owned property escaped damage today although many bombs fell near the Lewis Memorial Institutional Church of the Methodist Mission and the installation of the Standard Vacuum Oil Company. A number of bombs fell about one

793.94/ 15987

F/FG

793.94

-2- #300, June 26, 8 p.m., from Chungking via N.R.

one half mile upriver from the U.S.S. Tutuila.

Sent to the Department. Repeated to Peiping, Shanghai,
Hankow. Shanghai please repeat to Tokyo.

JOHNSON

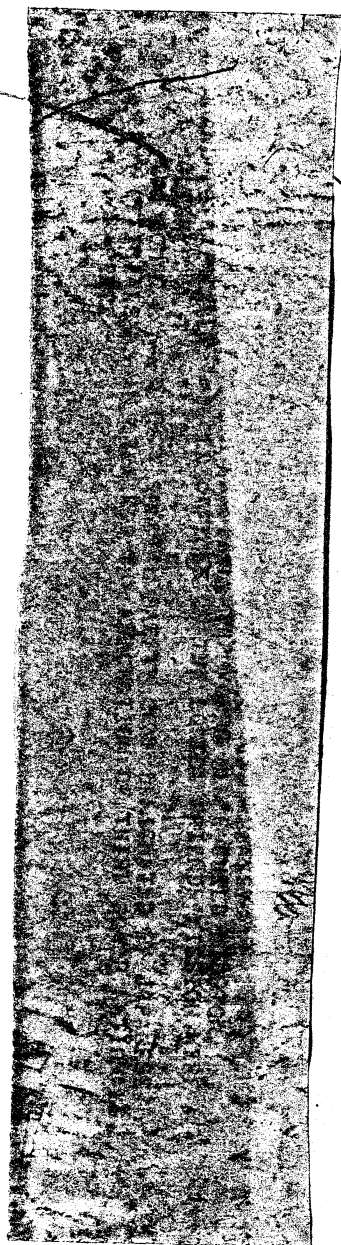
NK

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

~~7a-H~~
~~7~~
D C R
Tel. to Tokyo (233)
June 29.
Division of
FBI EASTERN AFFAIRS
JUN 23 1940
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. Quisenberry 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. Quisenberry NARS, Date 12-18-75

DEPARTMENT OF STATE
ADVISER ON POLITICAL RELATIONS

June 28, 1940.

U.
Mr. Welles:

S.
Mr. Secretary:

The whole file should, in
my opinion, be carefully examined
by the signing officer before
decision is made to send or
not to send the telegram.

SKH

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. Quisenberry NARS, Date 12-18-75

DEPARTMENT OF STATE
ADVISER ON POLITICAL RELATIONS

June 28, 1940.

~~FE:~~ *m/A*

U:

S:

See also Chungking's 303, June 28,
7 p.m. Please note not only my tag of
June 27 but FE's tag of June 27.

There is a great and essential
difference between the bombings at Chung-
king and any which have taken place
elsewhere either in China or in Europe.
In the case of the present bombings at
Chungking, the Japanese are endeavoring
to achieve the complete destruction of
an entire city, the capital city --
destruction of everything and everybody
above ground in the said city (with the
exception of a specified area on the
far side of the Yangtze River). This
not only jeopardizes American life and
property, but makes American properties
and whatever persons may be within them
definite objectives of the bombers
and the bombing.

40144

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 C. Quateman NARS, Date 12-18-75

ADVISER ON POLITIC
MR.
JUN 28 1940
DEPARTMENT OF STATE
DIVISION OF FAR EASTERN AFFAIRS

June 28, 1940.

Reference Mr. Hornbeck's attached tag of June 27, 1940, in which he expresses the view that we should protest again to Tokyo in regard to the new instances of bombing of Chungking by Japanese planes, as reported in Chungking's 300, June 26, 8 p.m., and 302, June 27, 4 p.m.

FE continues to feel that a new protest on the basis of the two telegrams under reference is not advisable. It is believed that some discretion must be used in each instance in the matter of filing protests against infringements of our rights. To continue to make protests in these cases of almost daily bombings of Chungking will, it is felt, tend to dissipate and render ineffective the efforts which the American Embassy at Tokyo is so frequently called upon to exert in behalf of American interests.

Another consideration which FE has had in mind, and which FE feels should be given weight, is (while bearing in mind the technical distinction between declared war and hostilities without declaration of war) the keeping of our action in regard to bombings in the Far East in line to a reasonable extent with our action in regard to bombings

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

-2-

in Europe where we have relied in the main upon public announcements as the means of making known our attitude. FE does not understand, for example, that American diplomatic representatives in Europe have been instructed to protest to the appropriate Foreign Office each time that air squadrons have jeopardized American life and property through the bombing of civilian populations in Ethiopia, Spain, Finland, Poland, Scandinavia, Belgium, France, and the British Isles.

However, in line with Mr. Hornbeck's wishes, there is attached hereto for consideration a draft of a telegram to Tokyo authorizing, in the Ambassador's discretion, further representations.

m. m. d.

793.94/15988

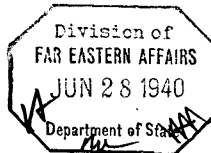
AAA
FE:Adams:HES *Kous*

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
ADVISER ON POLITICAL RELATIONS

June 27, 1940.

RE: *same drafted.*
U.
S:



I feel that we should protest
to Tokyo.

Each new bombing is a new act,
though it be merely in continuance
of a program to which we have taken
exception by public statement. By
each such act, each new bombing,
the property and the lives of Ameri-
can nationals are endangered.

Procedure on the principle that
further representations will not
cause the Japanese to desist would,
if applied logically, cause us to
refrain entirely from protesting
against any of the many acts which
the Japanese have done and which they
will continue to do notwithstanding
this country's verbal objectings.

This bombing business is, in my
opinion, a very serious impairment of
our rights and interests as well as
those of the world in general, and--it
is not excusable on the plea of "military
necessity" or of "unavoidability".
PA/H:SKH:ZMK

61st

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
 June 27, 1940.

~~PA/H~~
 MR. Hornbeck

no 302, June 27 4 p.m.

Reference Chungking's telegram no. 300, June 26, 8 p.m., and the attached press clippings of June 26 in regard to the bombing of Chungking on June 26.

We have no reports that any American citizens were injured or that any American property was damaged by the bombings under discussion.

We have repeatedly made clear to the Japanese our position in regard to the bombing of civilian populations. The last representations in regard to the matter were made by Mr. Grew on June 14, as reported in Tokyo's 451, June 15, 8 p.m. The Japanese bombing raids upon Chungking are of almost daily occurrence. As indicated above, we have made our position clear and further representations at this time and under existing circumstances have no chance of causing the Japanese to desist from their raids. Under these circumstances I recommend that we do not make further representations upon the basis of the telegram and news clippings under reference.

793.94/15987

VAA
 FE:Adams: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

TELEGRAM RECEIVED

JR

PLAIN

Chungking via N. R.

FROM

Dated June 27, 1940

Rec'd 10:45 a.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS

JUN 27 1940

Department of State

302, June 27, 4 p.m.

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

June 27. 8JL

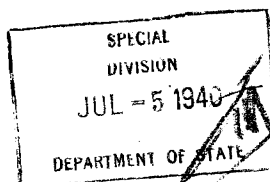
Tel. to Tokyo June 29

Three groups consisting of 86 Japanese planes this morning bombed the western district of Chungking and western suburban areas. American nationals believed safe and American properties intact.

Sent to the Department, repeated to Peiping, Hankow, Shanghai. Shanghai please mail to Tokyo.

JOHNSON

CSE



793.94/15938

F/FG

161

TELEGRAM RECEIVED

JI

GRAY

FROM

Tokyo via Shanghai and N.R.

Dated June 26, 1940

Rec'd 9 a.m. 27th

Secretary of State
Washington

Division of
FAR EASTERN AFFAIRS
JUN 27 1940
Department of State

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

June 27 E.J.V.

501, June 26, 5 p.m.

In what is described as an important address before all officers of the War Ministry yesterday, the War Minister is reported to have urged that in view of the present world situation favorable to Japan, Japan must not miss this golden opportunity to implement its policies the most important of which is the settlement of the incident. He expressed sympathy for the efforts now being made to create a new national political party.

Sent to the Department via Shanghai, Shanghai please repeat to Chungking, Peiping.

Sent to the Department. Repeated to Chungking, Peiping.

GREV

WWC

793.94/15989

F/FG

793.94

2012
Shanghai
6/27

DECLASSIFIED: E.O. 11652, 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. 97

192

AMERICAN CONSULATE GENERAL

American Foreign Service, Hanoi, Indochina,
June 2, 1940.

SUBJECT: Chinese apprehensive of a
Japanese Attack on Indochina.

Division of
FAR EASTERN AFFAIRS
JUN 28 1940
Department of State

RECEIVED
DEPARTMENT OF STATE

JUN 27 AM 03
1940

TH HONORABLE
DIVISION OF
COMMUNICATIONS
AND RECORDS

SECRETARY OF STATE,

WASHINGTON.

For Distribution-Check		Yes	No
Grade	For		
	In U.S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

JUL 24 1941

I have the honor to report, as of possible interest to the Department and with reference to previous despatches dealing with the situation in Indochina, that for some little time there has been a growing apprehension among the Chinese resident in Haiphong and Hanoi that the Japanese are about to attack Indochina, using Hainan as a base. The fear of Japanese activity in this area has become so real that a number of Chinese, including some connected with the Chinese governmental organizations, have sent their wives and families away.

Representatives of a number of these organizations have called to ask advice as to what they should do. They have consulted other Americans in Haiphong and Hanoi, as well as French officials, as to their course of action if the Japanese should attack. An effort has been made to allay this alarmist attitude. These Chinese have also raised the question whether an American company could take over stocks at Haiphong, thus giving these stocks American protection.

The Chinese are inclined to believe that there will be

733.94/15990

F/FG

FILED

AUG 5 1940

163

AIR MAIL


- 2 -

be an Annamite uprising coincident with a Japanese attack. It is claimed, but no reliable authority can vouch for the story, that the uncle (Cuong De) of the present Emperor of Annam, who was exiled by the French many years ago, has recently broadcast from Tokyo that he will soon return to Annam and that he expected many Annamites to rally to his cause. I am informed by a member of the French Military Intelligence that every precaution is being taken against any such attempt and against "fifth column" activities.

Despite the seeming baselessness of many of the rumors as to Japanese aggression and Annamite revolt, the general situation is one of some unease, which is not entirely confined to Chinese circles. The majority of observers are inclined to believe that a serious reverse of the Allied forces or the entry of Italy into the war will lead ultimately to Japanese pressure against the British, French and Netherland possessions in the Far East.

Respectfully yours,

For the Consul at Saigon,


Charles S. Reed II,
American Consul.

In duplicate to the Department (Original by air mail)
Copies to the Embassy, Chungking and Peiping
Copies to Consulates General, Hongkong and Shanghai
Copy to Consulate, Saigon

800

CSR:csr X

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
MEMORANDUM



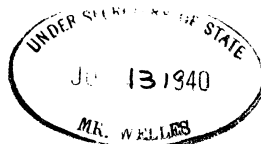
~~GA~~
~~MEM~~

~~DA/H~~

To note last two H's

Reference Chungking's 567, "Further bombings of Chungking".

To note last paragraph of the despatch under reference giving three reasons for the relative inefficiency of Chinese air defense measures against Japanese air attacks at Chungking.



VAA
FE:Adams:BLS

DECLASSIFIED: E.O. 11652, 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

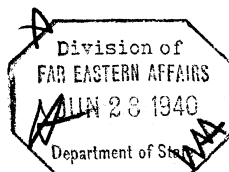
No. 567.

Chungking, June 14, 1940

Subject: Further Bombings of Chungking.

AIR MAIL

793.94



RECEIVED
DEPARTMENT OF STATE

1940 JUN 27 AM 10 49

DIVISION OF
COMMUNICATIONS
AND RECORDS

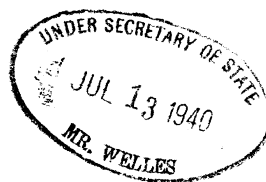
For Distribution-Check		Yes	No
Grade	✓		✓
For		✓	

ONTD MAID

DIVISION OF
JUL 10 1940

COMMERCIAL AFFAIRS
Department of State
The Honorable

The Secretary of State,
Washington, D. C.



Sir:

Continuing my despatch no. 553 of June 3, 1940 and referring to my telegrams nos. 254, 255 and 257 of June 11, 10 a.m., June 11, 8 p.m. and June 12, 9 p.m., respectively, I have the honor to report briefly on the several aerial bombing attacks carried out by the Japanese on Chungking and vicinity since May 29, 1940.

Summary. There is a summary of the Japanese aerial attacks of June 6, 10, 11 and 12 on Chungking and vicinity and the results of these attacks. There is comment on dug-out protection, on restoration of order after raids, and on inability of Chinese air defense forces to repel Japanese attacks.

On June 6, 1940 a large group of Japanese planes, the number of which is unknown, intensively bombed a

Chinese

793.94/15391

AUG 5 1940

F/FG
FILED

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

AIR MAIL

- 2 -

Chinese military airfield in the vicinity of Paishihyi (白市驄) which is located a few miles to the south-west of Chungking. It is reported that only nominal damage was inflicted, however, as the Chinese now follow a plan of scattering their planes on a number of military fields which have been established in the vicinity of Chungking. Five Chinese civilians are reported to have been killed in the vicinity of the airfield during this raid.

On June 10, the weather having cleared after several days of poor visibility, the Japanese launched an aerial attack on Chungking and on the suburban industrial and educational areas located to the west of the city along the Kialing River and the Chengtu Highway. Specific information is lacking concerning the extent of the destruction inflicted in the suburban areas, although it appears that it was not great. With regard to the city proper, the Japanese concentrated their attack in the Liang Lu Kou area in the western district where many government offices and the diplomatic establishments of France, Russia, Belgium, The Netherlands and Germany are located. If it was the intention of the Japanese to bomb Chinese government structures they were singularly unsuccessful, for property damage was confined almost wholly to shop and residential buildings, the extent of which was not serious. Casualties were negligible, probably not exceeding a total of 30 or 40 persons killed and wounded. Fortunately, no bombs fell in the immediate vicinity of American-owned property during this attack.

On June 11 Japanese planes, reported by the press to number 117 and operating in four separate groups, heavily bombed Chungking and environs, including the northern suburb of Kiangpei and the industrial and educational areas to the west of Chungking. Casualties probably did not exceed 75 persons killed and wounded. Again, damage was largely restricted to small shop and residential buildings, although the structure housing the Salt Administration was demolished and various buildings occupied by the Ministry of Finance damaged. Many bombs fell near the building occupied by Mr. Lin Sen and other members of the National Government, but it was not damaged. The Chungking Hostel where many foreign transients lodge was damaged slightly during this raid. The Chungking power plant which is located in this same area once again escaped injury. Though bombs fell near the Seventh Day Adventist Mission, an American missionary organization, this and other American properties were not affected during this raid. But the Russian Embassy, which narrowly escaped destruction in the bombing of May 28*, was not so fortunate on this occasion; one heavy bomb exploded near the front entrance of the building and others near the side and rear, causing considerable damage to the wood-work, plaster, roof and windows and doors. As in the raid of May 28, the French Embassy again barely escaped direct hits.

On

*Despatch no. 552, June 2, 1940.

AIR MAIL

- 3 -

On June 12 the Japanese continued their intensive raids on Chungking, concentrating their attacks largely on the down-town business districts, the Liang Lu Kou section, and the northern suburb of Kiangpei. Incendiary and explosive bombs were dropped in large numbers over a wide-spread area by a total of 110 Japanese bombers operating in four groups. About 140 civilians are reported to have been killed and wounded during this raid. A considerable number of shops and residences was destroyed or damaged during the raid, but an investigation failed to show that military objectives or even structures housing Chinese governmental offices had been seriously affected. Although bombs fell near the headquarters of the Military Affairs Commission and in the vicinity of the Executive Yuan, which possibly were targets of the Japanese attack, these structures were not damaged. However, it was reported that the building housing the National Government administration received some damage during this attack.

Various mission properties fared badly during this raid. The French Catholic Cathedral received a direct hit and suffered extensive damage, while the Lewis Memorial Church of the American Methodist Episcopal Mission sustained damages to the roof, doors and windows, floors and furniture. Residential and hospital properties of the Methodist Episcopal Mission also suffered a slight amount of damage. Mission properties owned by the Friend's Service Council and the Canadian Mission Church, both British, were damaged, while the Canadian Mission Hospital in the city narrowly escaped destruction from fires raging in the immediate vicinity. It is also reported, though not yet confirmed, that property owned by the Seventh Day Adventist Mission was destroyed during this raid.

Although the raids of June 11 and 12 were intensive and wide-spread, there were few casualties among the population. This is due not only to the adequate and systematic warnings now given but also to the very elaborate and capacious system of dug-outs constructed during the past two years by the authorities and by private persons. At the present time it is reliably learned that 270,000 of Chungking's population of 400,000 can safely be accommodated in these sanctuaries. Of the remaining 130,000 approximately 30,000 remain on duty as police, firemen, doctors, stretcher bearers, et cetera, during the course of raids, while the other 100,000 evacuate to the surrounding country.

The chaos which was so noticeable following the raids of May 3 and 4, 1939 is no longer to be seen; instead there is admirable order, efficient supervision, and the speedy but calm execution of duties--whether it be the removal of debris from the streets, the repair of power and telephone lines, the quenching of fires, or the removal of the dead and wounded. Moreover, the civilian population appears to have become reconciled to the horrors of the death and destruction confronting it on all sides. Instead of despair and wailing, there is observable a grim, if resigned, determination to carry on, even among people who have lost their homes or loved ones. Although the ordinary pursuits of life are necessarily interrupted during the course of the raids, yet there is a return to

business

AIR MAIL

- 4 -

business and the ordinary conduct of life almost immediately following the conclusion of the most disastrous of raids. From all this it may safely be concluded that the morale of the Chinese people can scarcely be broken irrespective of the number and severity of the attacks conducted on the city.

Chinese air defense measures against Japanese attacks on the provisional capital continue to prove relatively ineffective. Although there is intensive anti-aircraft fire from time to time, it has not been successful in destroying invading planes or in breaking up their formations. It is not unlikely that this is attributable to poor gunnery. Chinese pursuit planes usually take to the air on the approach of Japanese planes, but they have not been able successfully to intercept the Japanese or to prevent them from reaching the city, even though the Japanese bombers are not accompanied by protecting pursuit planes. Observers are inclined to attribute the ineffectiveness of the Chinese defense planes to (1) their deficiency in number (usually there are not more than 15 Chinese planes in the air at one time while the Japanese seldom fly in groups of less than 25 planes), (2) to their slowness (the present Russian E-16 in use by the Chinese is said to be not more than 15 or 20 miles faster per hour than the average Japanese bomber, and (3) to the inexperience and lack of skill on the part of the average Chinese pilot. If the Chinese were able to increase their effectiveness to the point where they could destroy say 25 per cent of the planes sent against Chungking, it seems likely that the Japanese would find it expedient to refrain from conducting the mass attacks they have been carrying out of late on Chungking. However, it is almost too much to hope that the Chinese will be able to remedy this phase of the situation.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Original (by air mail) and
four copies to the Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo

711.6/710

EFD:MCL

TELEGRAM RECEIVED

FROM

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

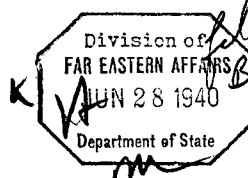
Hankow via N.R.

Dated June 27, 1940

Rec'd 6:52 a.m., 28th

Secretary of State
Washington

June 27, 2 p.m.



793.94
It was reported on June 22 by an informed source that
beginning June 24 all Japanese naval aircraft based at
Wuhan were to be transferred to Hainan, leaving aerial
operations in this area to be conducted by the Army.

There has been no report of unusual movement of
Japanese naval vessels on the Yangtze.

Sent to Chungking, repeated to Department,
Peiping, Shanghai.

SPIKER

GW

793.94 / 15992

F/FG

JUN 28 1940

TELEGRAM RECEIVED

FROM

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

Hankow via N.R.

Dated June 27, 1940

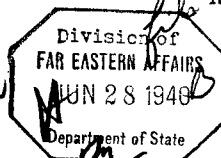
Rec'd 6:27 a.m., 28th.

Secretary of State

Washington

June 27, 3 p.m.

Continuing my June 27, 2 p.m.



*6/28
Shannon to
Ond. mid
KOK*

793.94
Same informed source now states that up to last
night 64 of the total of 87 naval planes mostly
bombardment have departed. These reports are unconfirmed.

Sent to Chungking, Peiping, Shanghai.

SPIKER

RR

793.94 / 15993

F/FG

JUL - 3 1940

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

JI

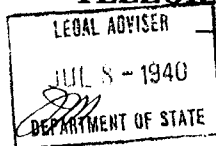
PLAIN

TELEGRAM RECEIVED

Chungking via N. R.

Dated June 28, 1940

Rec'd 11:20 a.m.



FROM

Tel. to Tokyo June 29.

Secretary of State
Washington



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

June 28. 597.

303, June 28, 7 p.m.

For the fifth consecutive day Chungking was subjected to severe and wanton aerial bombardment between twelve and one p.m. today. Approximately eighty six Japanese bombers took part in the raid dropping numerous heavy demolition and incendiary bombs in the central and western commercial and residential areas. The Japanese succeeded in inflicting considerable property damage in the civilian category but little or none in the military category. Among properties affected by today's raid were those of the British Consulate General, the French Consulate, the Central Publicity Board and the Chinese YWCA. Casualties were light.

All Americans are believed safe. A wing of a hospital owned and operated by the American Methodist Episcopal Mission in the Western part of Chungking

WCS

793.94/15994

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

JI-2-#303, June 28, 7 p.m. from Chungking via N.R.

was struck by a bomb and partially demolished. Two other buildings of the same mission one of which is utilized as a primary school were also damaged. Total losses suffered by the Mission in this raid including valuable medical equipment are estimated at seventy five hundred dollars United States currency. Altogether five bombs fell within the grounds of the Chungking High School where the aforementioned properties are located. A library building located on the same grounds and said to be owned by the American Church Mission received slight damage from concussion.

Sent to the Department, repeated to Peiping, Hankow, Shanghai. Shanghai please repeat to Tokyo.

JOHNSON

CSB

TELEGRAM RECEIVED

RDS

GRAY

FROM Canton via N.R.

Dated June 28, 1940

Rec'd 5:45 p.m.

Secretary of State,
Washington.



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

60, June 28, 7 p.m.

Reference my 58 of June 23, 5 p.m. /15978

The Japanese military spokesman in Canton is reported to have stated this afternoon that Japanese troops which recently occupied Lungchow were this morning halfway to the border point of Chennankuan which they are expected to reach this evening. He said that the present operations were undertaken in order to capture or destroy supplies which had recently been rushed into Kwangsi from French Indo-China and to make sure that further supplies are not taken over the border. The spokesman is reported to have emphasized that no invasion of French Indo-China is contemplated but that the Japanese would remain at the strategic point of Chennankuan until convinced no more supplies were reaching the Chinese through Indo-China.

Sent to the Department. Repeated to Chungking, Peiping, Hong Kong.

MYERS

EMB

793.94/15995

F/N

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

TELEGRAM RECEIVED

RDS

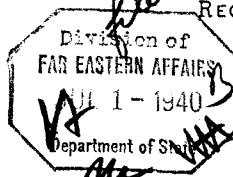
PLAIN & GRAY

FROM Chungking via N.R.

Dated June 30, 1940

Rec'd 6:23 a.m.

Secretary of State,
Washington.



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

307, June 30, 11 a.m.

793.94
Two groups numbering 54 Japanese planes indiscriminately bombed the western, commercial and residential district yesterday morning dropping numerous demolition and incendiary bombs. At least seven bombs fell within seventy yards of the French Embassy causing considerable damage to the Embassy building. Another group numbering approximately 36 planes bombed the western suburbs of the city. Casualties were small and property damages were mainly private in character.

All Americans believed to be safe so far as known no American property was damaged, although one bomb fell in the river very near the Standard Oil installation.
(GRAY) Two Government offices and the central university were damaged by this raid. (END GRAY)

Sent to Department. Repeated to Peiping, Hankow, Shanghai. Peiping mail to Tokyo.

JOHNSON

EMB

793.94/15996

F/FG

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Situation in China: position of U.S.
Approach to Japanese Foreign Minister, along lines set forth.
Instructing-, asks Embassy to forward any comments and suggestions, following careful study of contents.

For the original paper from which reference is taken

See Tel #203
(Despatch, telegram, instruction, letter, etc.)

Dated June 15, 1940
To Japan

File No. 711.94/1532

793.94 / 15997

15997

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

"Underlying cause of European war can be traced back to the trouble in the Far East since 1931 and to the indifference of other nations and the short-sightedness of the United States Legislative body to China's appeals" according to Chinese Minister to Costa Rica.

793.94 / 15998

For the original paper from which reference is taken

See #2278
(Despatch, telegram, instruction, letter, etc.)

Dated June 18, 1940 From Costa Rica (Hornibrook)
~~Text~~

File No. 701.9318/1

U. S. GOVERNMENT PRINTING OFFICE 1-1040

M.C

793.94
15998

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

San José, Costa Rica,
June 18, 1940.

No. 2278

Subject: Transmitting Copy of Letter from the
Chinese Minister in Panama.

The Honorable
The Secretary of State,
Washington.

Sir:

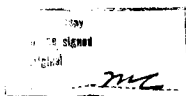
As of possible interest to the Department I have
the honor to attach herewith copy of a rather inadroit
letter which was communicated to me by the Chinese
Minister in Panama assigned to this post.

Respectfully yours,

Wm H. Hornibrook.

Enclosure:
1. Copy of letter from
Minister Shan.

701.1
WHH:mc



750

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

Enclosure, 1 to despatch No. 2278 of June 18, 1940,
from the Legation at San José.

LEGACION DE CHINA
Panama, R. P.

June 15, 1940.

H.E. Minister Hornibrook,
U. S. Legation,
San José, Costa Rica.

Dear Mr. Minister:

I am very happy that meeting Your Excellency personally on my visit to Costa Rica makes our association with your charming family complete. Many thanks for the kind attention to us by Mrs. Hornibrook and Your Excellency.

Although our contact was not long enough, yet your personality, thoughts and views impressed me deeply, and I may be allowed to quote one of the Chinese sayings: "At the first meeting feel like old friends."

The situation in Europe is growing ever graver, and the nations in this hemisphere are also deeply concerned. However, I think that the underlying cause of the European war can be traced back to the trouble in the Far East since 1931 and ALSO ATTRIBUTED TO THE INDIFFERENCE OF OTHER NATIONS AND THE SHORT-SIGHTEDNESS OF THE U. S. LEGISLATIVE BODY TO CHINA'S APPEALS.

Mrs. Shen joins me in sending our best regards to Mrs. Hornibrook and yourself.

Yours very sincerely,

Yorkson C.T. Shen
Minister of China.

Copy
mc

Note: Above full capitalization was made by the Legation and was not included in original letter.

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

DEPARTMENT OF STATE

DIVISION OF RESEARCH AND PUBLICATION

June 22, 1940.

FE
Mr. Hamilton

Division of
FAR EASTERN AFFAIRS

A-B

Mr. Berle:

JUN 22 1940

Department of State

I assume that you do not intend to write Mr. Greene again on this subject. His suggestion that the Department publish the story "in an apparently routine manner" might of course be answered by pointing out that the Department does in fact publish the story of American foreign policy in a "routine manner" in the Foreign Relations volumes and that material on the Manchurian controversy will undoubtedly be prepared in 2 or 3 years for publication in that series. To print it now in a special publication would hardly be "routine".

ans
E. Wilder Spaulding



JUN 24 1940

FILED

RP:EWS:MG

DECLASSIFIED: E.O. 11652, 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 *AB*

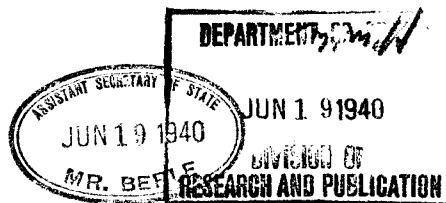
DIVISION OF FAR EASTERN AFFAIRS *LRP*

June 19, 1940.

A-B:
Mr. Berle.

The suggestion advanced by
Mr. Greene is an interesting one.

I have discussed the matter
with Mr. Hornbeck and we are both
of the opinion that there is
nothing which the Department can
do about it.



MMH: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

DEPARTMENT OF STATE

ASSISTANT SECRETARY

June 10, 1940

FE

This has been acknowledged.

I am not clear that any-
thing needs to be done
about it.

AMB
Division of A.A. Berle, Jr.
FAR EASTERN AFFAIRS
JUN 12 1940
Department of State

750

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

COMMITTEE TO DEFEND AMERICA BY AIDING THE ALLIES

8 West 40th Street, New York, N. Y.

CHickering 4-6394-5

(Committee in formation)

WILLIAM ALLEN WHITE
Chairman

CLARK M. EICHELBERGER
Secretary

JAMES TRUSLOW ADAMS
ALLEN D. ALBERT
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NICHOLAS MURRAY BUTLER
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WILLIAM ALLAN NEILSON
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CHARLES SEYMOUR
ROBERT E. SHERWOOD
JAMES T. SHOTWELL
HENRY L. STIMSON
BISHOP ERNEST STIRES
GENE TUNNEY
CLINTON M. UTLEY
GEORGE E. VINCENT
ROBERT J. WATT
CHARLES A. WEBB
STEPHEN S. WISS
MARY E. WOOLLEY
QUINCY WRIGHT



Washington Office

Room 714

1420 New York Avenue, N.W.
Washington, D. C.

Honorable A. A. Berle
Department of State
Washington, D. C.

Dear Mr. Berle:

If some government agency is concerned with getting out special historical papers that may give the public a better understanding of past events and so enlist more intelligent support of government policies, I venture to suggest that one of the popular arguments against cooperation with Britain might be effectively disposed of by the publication of an objective account of the discussions between the British and American governments about the Japanese actions in Manchuria in 1931 and 1932. The statement that if Sir John Simon had not let Colonel Stimson down at that time the course of events afterwards might have been much more conducive to peace, has become almost a popular dogma. The best informed people in this country of course know that Colonel Stimson was not in a position to satisfy the British when they sounded him as to the practical steps which the United States would be willing to take if the Japanese proved recalcitrant, but such information as they have is partly confidential and they are unable to refer to authoritative documents to support some of the most significant parts of the picture. Therefore the public at large remains under a serious misapprehension which has an unfortunate effect when any proposals for cooperation with Britain are brought forward.

If our government were in a position to publish in an apparently routine manner all the facts of the story it would not only be a most useful contribution to the history of the past decade from an academic point of view, but might also make our people more receptive when new plans for cooperation with Britain are brought forward by the Administration. I presume that some of the significant omissions from Colonel Stimson's published account of the Manchurian affair were due to fear that the full story might be embarrassing to Mr. Hoover. I presume that such considerations would have less weight in the case of a government publication, though perhaps some care would still be thought desirable in order to avoid the development of a partisan controversy at a time when American unity is more than ever desirable. I am too incompletely informed to have a definite opinion on this point, but my past service as consul at two cities in Manchuria has given me a keen interest in the whole subject, and this has led me to bring the matter to your attention for such consideration as you may think appropriate.

Yours sincerely,

Roger S. Greene
Roger S. Greene

793.14/15999

JUN 21 1940

F/FG999

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

June 11, 1940

My dear Mr. Greene:

Let me thank you for your
undated letter, which was received
here today.

I am obliged to you for your
suggestion, which I am passing on to
people better acquainted with the facts
than I am. Let me thank you for
making it.

Sincerely yours,

793.94 / 15999

A. A. BERKE, JR.

Roger S. Greene, Esq.,

1420 New York Avenue, N.W.,

Washington, D. C.

F/FG



164

TELEGRAM RECEIVED

RAW

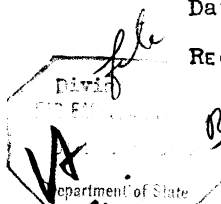
GRAY

FROM Chungking via N.R.

Dated July 1, 1940.

Rec'd. 10:25 a.m.

Secretary of State,
Washington.



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

July 2 8/40

309, July 1, 9 a.m.

Department's 233, June 29, 6 p.m. to Tokyo.

If further proof were needed of the terroristic object of the recent bombing attacks on Chungking (11 raids from June 9 to 29) it would be supplied by a crudely colored leaflet dropped from bombing planes over Chungking on June 29. This depicts bombs raining down, dwellings in flames, bodies dismembered and all classes of the population fleeing. An inscription states "living all day in the midst of air alarms leading an existence not even human". Another scene depicts a farmer ploughing in a fertile countryside and bears an inscription "living peacefully earning living with joy".

Sent to the Department. Repeated to Peiping, Shanghai. Latter repeat to Tokyo.

JOHNSON

JUL 3 1940

TFV

793.94/16000

F/EG

165

TELEGRAM RECEIVED

MA
THIS Telegram must be
closely paraphrased before ~~FROM~~
being communicated to anyone.
(BR)

Hankow via N.R.

Dated July 1, 1940

Rec'd 12:13 p.m.

Secretary of State

Washington

July 1, 2 p.m.

Reference to my June 27, 2 p.m.

During the past three days there has been a
striking decrease in Japanese aerial activity from
Hankow field.

Japanese Army reinforcements have been moving west-
ward across the Han River suggesting that the Army intends
to hold if not expand its newly gained territory.

Sent to Chungking, Repeated to Department, Peiping,
and Shanghai.

SPIKER

LMS

793.94/16001

0511

DECLASSIFIED: E.O. 11652, 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

TELEGRAM SENT 160

TO BE TRANSMITTED
CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PARTIAL
PLAIN

Collect { Full rate
Day letter
Night letter

Charge Department:

Full rate
Day letter
Night letter

Charge to
\$

Department of State

1940 JUN 25 AM 4 25

Washington,

June 28, 1940

6 p.m.

AMEMBASSY,

TOKYO (JAPAN). *via Peiping*

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

233
Chungking's 300, June 26, 8 p.m., and 302, June 27,
4 p.m., bombing of Chungking, and 303, June 28, 7 p.m.

The Department authorizes you, in your discretion
and as occasion and appropriate opportunity therefor
occur, to continue to bring to the attention of ap-
propriate officers of the Japanese Foreign Office this
Government's attitude as repeatedly expressed, both
upon broad humanitarian grounds and upon the ground of
danger to American life and property, toward bombings
of civilian populations such as those reported in the
telegrams under reference.

via Peiping
Sent to Tokyo. Repeated to Chungking and ~~Peiping~~ *Tokyo*

793.94/15988
15994

WAA
FE:WAA:MHP

CR

JUN 29 1940

PA/H

301

Enciphered by _____

Sent by operator _____ M., _____, 19____

793.94/16001

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

TELEGRAM RECEIVED 167

RDS

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

Canton via N.R. . .

FROM

Dated July 2, 1940

Rec'd 8:38 p.m.

Secretary of State

Washington.

Division of
FAR EASTERN AFFAIRS
JUL 3 - 1940
Department of State

7/3
Sumner
DND & M.D.
KCK

62, July 2, 7 p.m.

Reference my 58, June 23, 5 p.m. / 15978

During a call this afternoon on the Japanese Consul
General he referred to the matter of the evacuation of
women and children from Hong Kong and stated that the
stationing of a Japanese force along the border was
not a hostile action against Hong Kong, but was for the
purpose of stopping the movement of supplies between that
colony and unoccupied territory. It is understood that
earlier in the day he made a similar statement to my
British colleague. I am still inclined to the views ex-
pressed in my telegram under reference.

This afternoon the Japanese military spokesman re-
ported that Lungchow (the capture of which had previously
been prematurely reported) ^{was} occupied today and that large
bodies of Chinese troops were moving southward against
Japanese forces in that area.

Sent to the Department. Repeated to Chungking,
Hong Kong, Peiping for Tokyo.

EMB

MYERS

793.94/16002

F/FG

793.94

note
3469.1115

168

TELEGRAM RECEIVED

LEGAL ADVISER
JUL 8 - 1940
DEPARTMENT OF STATE

FE
IN
AE

ATP



FROM

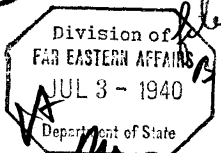
PLAIN

CHUNGKING via NR

Dated July 3, 1940

Rec'd 9:43 a.m.

Secretary of State,
Washington.



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

July 3. E.J.V.

July 3, 4 p.m.

Following is Embassy's translation of a note received from the Foreign Ministry dated July 2: "The Ministry of Foreign Affairs presents its compliments to the American Embassy and has the honor to state that it has received a telegram from the Military Affairs Commission to the effect that the river below Ichang has been closed and that it is a dangerous area. The Commission requested that the various foreign missions be asked to instruct the naval and commercial vessels under their respective jurisdiction to take note.

The Ministry has the honor to invite this third person note for the Embassy's information."

Shanghai and Hankow please inform concerned American naval officials and organizations.

Sent to Shanghai and Hankow. Repeated to the Department and Peiping.

JOHNSON

TFV

793.94/16003

F/FG

793.94
note
793.81

TELEGRAM RECEIVED

JIL

PLAIN

FROM Chungking via N.R.

Dated July 5, 1940

Rec'd 12:25 p.m.

Secretary of State

Washington

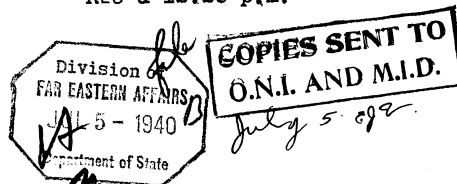
321; July 5, 4 p.m.

Two groups of Japanese planes yesterday afternoon attacked suburban areas west of Chungking while a third group is reported to have dropped bombs in the vicinity of Suining (northwest of Chungking). According to Chinese press and other reports considerable damage was inflicted on various buildings of Chungking University; and building of National Central University sustained slight damage.

Chungking was under air alarm from about 11 a.m. to 3 p.m. today but Japanese planes failed to appear.

Sent to the Department. Repeated to Peiping, Hankow,, Shanghai. Shanghai please mail to Tokyo.

JOHNSON



793.94/16004

F/F/G

TELEGRAM RECEIVED

FROM

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

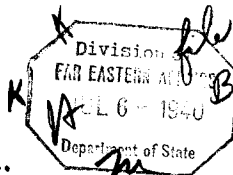
Hankow
Shanton via N.R. *EJR*

Dated July 5, 1940.

Rec'd 11:48 a.m.

Secretary of State
Washington

July 5, 9 a.m.



*76 shown to
MIA and
out
KCR*

During the past ten days Chinese regular and guerrilla units have been notably active north and south of, and close to, the Wuhan cities, even to the extent of breaking into several Japanese garrison towns, presumably in an effort to create a diversion to the rear of the Japanese force in West Hupeh.

The Japanese are estimated to have brought in during June about 15,000 reinforcements drawn from other parts of China and perhaps as many as 100 tanks. A Japanese source states that the army nevertheless plans to withdraw soon from Shasi and Ichang as Tokyo refuses to support with any future reinforcements the ambitions of the army commanders in Central China.

Sent to Chungking. Repeated to Department, Peiping, Shanghai.

SPIKER

TFV

793.94/16005

F/FC

JIL

TELEGRAM RECEIVED

SHANGHAI via N.R.

FROM Dated July 7, 1940

Rec'd 1:05 p.m.

Tel. to Shanghai

Secretary of State
Washington



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

July 8, 1940

596, July 7, 3 p.m.

At the instance of the Chief of Police special precautions are being taken by defense commanders to-day, the anniversary of the outbreak of Sino-Japanese hostilities. In the American sector 16 armed Japanese in plainclothes were taken into custody this morning by the Fourth Marines and proved to be members of Japanese armed forces possibly acting in connection with journey of General Prozio, commanding Japanese forces in China, into American sector without prior notification to commanding officer Fourth Marines who has promised to inform me of developments.

Sent to the Department, repeated to Chungking, Tokyo, Peiping.

BUTRICK

GW

793.94/16006

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. Quisenberry NARS, Date 12-18-75

CROSS-REFERENCE FILE

NOTE

SUBJECT

Japanese demarche before the Soviet Government designed to bring about a cessation of Soviet assistance to the Chinese Government. Comments from member of Japanese Embassy regarding-.

For the original paper from which reference is taken

See Tel#791 4 p.m.
(Despatch, telegram, instruction, letter, etc.)

Dated July 2, 1940 From U.S.S.R.
791 (Thurston)

File No. 761.94/1207 Confidential File

U. S. GOVERNMENT PRINTING OFFICE 1-1560

ml

793.94

793.94/ 16007

16007

DECLASSIFIED: E.O. 11652, 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

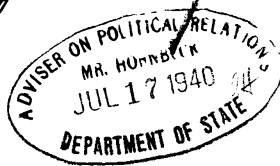
DIVISION OF FAR EASTERN AFFAIRS

7.10.40

~~RTB~~
~~WAA~~
~~MAH~~

PAH

You may be interested in
reading this despatch -
at least the 3rd par.
from the end



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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 568

Chungking, June 17, 1940

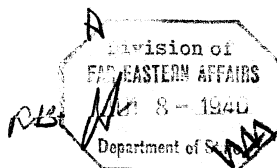
Subject: Bombing of Chungking on June 16, 1940.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

1940 JUL 8 AM 11 38

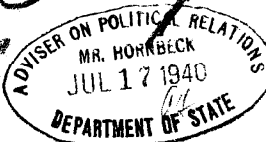
DIVISION OF
COMMUNICATIONS
AND RECORDS



For Distribution-Check		Yes	No
Grade	To Field		<input checked="" type="checkbox"/>
For	In U.S.A.	<input checked="" type="checkbox"/>	

793.94

Handwritten signature



793.94/16008

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

I have the honor to submit the following information in amplification of my telegram no. 267 of June 17, 12 noon, in regard to the further wanton and indiscriminate bombing of Chungking by Japanese airplanes on June 16, 1940.

A total of 113 bombing machines, comprising four groups took part in the raid, bombing the city in relays. Three groups concentrated intensive attacks on the chief commercial section of the city which may be roughly described as that part of Chungking lying on the left bank of the Yangtze River and running from Ch'u Ch'i Men (儲奇門) on the south in a northerly direction to the point where the Kialing River debouches into the Yangtze. Here an area perhaps one and one-half to two miles long and one-half mile wide was intensively bombed, both incendiary and high explosive bombs of a heavy type being used. Insofar as the Embassy is aware

the

F/EG

AIR MAIL

- 2 -

the only conceivable military object in this whole area is the headquarters of the Military Affairs Commission which, however, as in other raids, escaped without noticeable damage being inflicted. But many privately-owned shop and residential structures were destroyed or damaged either by fire or by detonation.

A fourth group of Japanese planes attacked the Liang Lu Kou or central section of the city where many public office buildings and diplomatic establishments have been established, badly damaging the structure housing the National Government (國民政府). There was also considerable destruction of private property, the Chungking Hostel and various valuable properties of the French Catholic Mission, including a girl's school, being razed to the ground. As was reported in my telegram under reference, a school building and a residence of the Su Teh Girl's School of the American Methodist Episcopal Mission were damaged in the course of this attack, it being the second time this property has suffered damage since the start of the Sino-Japanese conflict. A further report will be submitted on this subject as soon as the details become available. It does not appear that other American properties were destroyed.

Worthy of note is the fact that the last group of Japanese airplanes to attack Chungking on June 16 flew over the northern portion of the area which the Japanese Foreign Minister in a formal note to the American Ambassador at Tokyo had said the Japanese forces did not intend to attack.* Despite this assurance at least one bomb fell in the Huang Chin Miao (黃經廟) section of Lungmenhao, or about three-quarters of a mile north of the premises of the American Embassy, slightly injuring three Chinese civilians, while numerous bombs fell in the river between the northern part of Lungmenhao and the Tung Shui Men (東水門) in the city proper.

Chinese pursuit planes were active during the raid. One Japanese bombing machine was seen to fall near Chungking, and the Chinese press reports five others were shot down.

Again the fire prevention forces worked efficiently, putting down several fires started by incendiary bombs.

Casualties were low, numbering only 120 persons, according to the Central News Agency.

Respectfully yours,

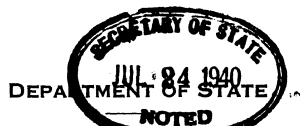


Nelson Trusler Johnson

Original (by air mail) and four copies to Department
Copy to Peiping
Copy to Tokyo.
711.6/710
EFD:MCL

*Tokyo's telegram no. 450, June 14, 7 p.m. to the Department.

152
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Qualen NARS, Date 12-18-75



DIVISION OF FAR EASTERN AFFAIRS

July 12, 1940

PA/H:

U

Mr. Welles:

Mr. Secretary:

UNDER SECRETARY OF STATE

JUL 15 1940

MR. WELLES



Reference Chungking's despatch no. 571, June 19, 1940, in regard to Japanese air raids at Chungking May 28 and June 10, 11 and 12, 1940.

Enclosed with this despatch are statistical tables indicating that in the raids in question 785 persons (presumably civilians and including 389 women and 265 children) were killed, 884 persons were seriously wounded, and 937 persons were slightly wounded (total casualties - 2506); and that 2082 private buildings were damaged.

Ambassador Johnson reports that these tables were prepared by the Chungking Air Raid Relief Commission, that the Embassy has no reason to doubt their accuracy, that they are a grim indictment of the ruthless and indiscriminate character of recent Japanese aerial attacks on Chungking. He adds that, had the Chinese not taken extensive precautionary measures in the way of dug-out construction and the formation of an efficient fire-fighting service since the disastrous raids of May 1939, the figures relating to casualties and property damage would have been much higher.

GA VAA
FE:Atcheson:HJN

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 571.

Chungking, June 19, 1940

Subject: Casualties and Property Damages
Sustained in Japanese Air Raids
on Chungking on May 28 and
June 10, 11 and 12, 1940.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

1940 JUL 8 AM 11 37

DIVISION OF
COMMUNICATIONS
AND RECORDS

FE memo

Copy in FE (569)

Division of
EASTERN AFFAIRS
U.S. - 1040
Department of State

U.S. SECRETARY OF STATE
JUL 15 1940
MR. WELLES

For Distribution-Check		Yes	No
Grade			
For			

OK - 1 M.D.

The Honorable

The Secretary of State,
Washington, D. C.

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

July 10, 1940

Sir:

1-2/

I have the honor to refer to my despatches nos. 555 and 567 of May 29 and June 14, 1940 in regard to Japanese aerial attacks carried out on Chungking on May 28 and June 10, 11 and 12, 1940, and further in this connection to enclose copies in translation of two statistical tables listing (1) the number of casualties sustained and (2) the number of private structures damaged in the Municipality of Chungking during the air raids referred to above. The statistical tables were prepared by the Chungking Air Raid Relief Commission; and the Embassy has no reason to doubt their accuracy.

Needless to say the tables in themselves are a grim indictment of the ruthless and indiscriminate character of recent Japanese aerial attacks on Chungking. And, of course, had the Chinese not taken extensive precautionary measures in the way of dug-out construction and the formation of an efficient fire-fighting service since the disastrous raids of May 3 and 4, 1939, the figures relating to casualties and property damage would have undoubtedly been much higher.

Respectfully yours,

Nelson Trusler Johnson
Nelson Trusler Johnson

Enclosures:

793.94/16009

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

AIR MAIL

- 2 -

✓
Enclosures:

1-2/ Translations of two statistical
tables as above.

Original (by air mail) and
four copies to the Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo

711

EFD:MCL

Enclosure no. 1
to despatch no. 571
Dated June 19, 1940

Statistical Table of Casualties in Chungking Municipality on May 28 and June 10, 11 and 12, 1940

Killed or wounded		Killed				Seriously Wounded				Slightly Wounded				Total			
Sex		Male	Fe- male	Chil- dren	Total	Male	Fe- male	Chil- dren	Total	Male	Fe- male	Chil- dren	Total	Male	Fe- male	Chil- dren	Total
Number of persons																	
Date																	
May 28		46	145	84	276	63	124	156	343	78	125	194	397	187	394	434	1015
June 10		8	15	21	44	11	18	27	56	9	23	31	63	28	56	79	163
June 11		28	45	62	135	49	81	95	225	64	77	85	226	141	203	242	586
June 12		49	84	98	231	61	93	106	260	72	83	96	251	182	260	300	742
Total		131	389	265	785	184	316	384	884	223	308	408	937	538	913	1055	2506

Investigated and prepared June 12, 1940

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

Enclosure no. 2
to despatch no. 571
Dated June 19, 1940

Statistical Table of Injury to Private Buildings During Raids by Enemy Planes
on May 28 and June 10, 11 and 12, 1940

Date	May 28	June 10	June 11	June 12	Total
Number					
Nature of injury					
Fallen by shaking	67	24	285	405	781
Bombed or burnt	251	48	363	639	1301
Total	318	72	648	1044	2082

Investigated and prepared June 12, 1940

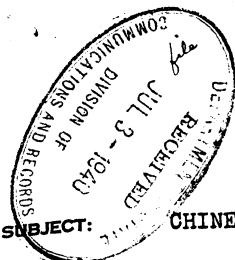
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Nithin D. D. D. D., date 12-18-75

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

SUBJECT OR FILE NO. <u>793.94/11.0.0</u>		DATE DUE <u>2/1/76</u>	
DATE OF DOC. <u>8/10/72</u>	DOC. NO.	SECURITY CLASS.	DATE CHARGED <u>12/2/75</u>
TO/FROM <u>Re: Request Aid to Vietnam</u>		ENCLOSURES	
CHARGE TO <u>General</u>		OFFICE SYMBOL <u>by</u>	
Form DS-933a (9-1-51) 16-58867-1 GPO (Signature) DEPARTMENT OF STATE			

001081

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DEPARTMENT OF STATE

Memorandum of Conversation

DATE: July 2, 1940.

SUBJECT: CHINESE-JAPANESE WAR

PARTICIPANTS: SECRETARY OF STATE HULL; CHINESE AMBASSADOR, DR. HU SHIH; AND DR. T. V. TSOONG.

COPIES TO:

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The Ambassador of China called in company with Dr. T. V. Tsoong, presumably for the latter to pay his respects. I served with him for six weeks at the London conference in 1933.

In answer to questions he said that his country had lost some 2,000,000 men and the Japanese 750,000 since the outbreak of the fighting on July 7, 1937. He said that his country was sustaining itself and thoroughly disposed to continue the fight; that it was a serious matter, however, to note the obstruction by the French of the Hainan road and the entire passage through Indo china, leaving only the Burma road under control of the

British

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British and the road from Russia through Outer Mongolia. I inquired whether the Russians will continue to aid the Chinese and he said that from time to time they aided them mainly with airplanes which they purchased on a rather long-term credit, and that he thought Russia would aid them in the future.

I inquired whether in his judgment the British would yield to Japanese demands to shut out the transportation of Chinese war supplies from Rangoon across to China, and he expressed himself in the negative. He thought it very important for this Government, in that connection, to indicate in some suitable emphatic way the interest of this Government in the British position. He said that they only had a very limited number of airplanes for fighting purposes, while the Japanese had many, but that each day near Chungking the few Chinese planes go up and bring down an average of two or three Japanese planes. He stated that Japan at present had no notion of any peace settlement short of general domination of China.

C.H.

S:CH:AR:DMZ

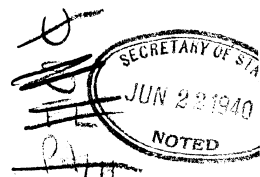
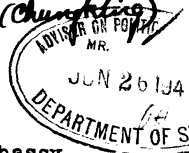
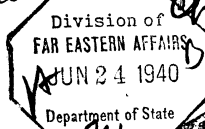
169

DEPARTMENT OF STATE

Memorandum of Conversation

DATE: June 19, 1940.

Copies sent to Tokyo, Paris, London, Peking (Chungking)



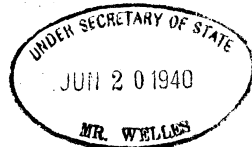
SUBJECT:

PARTICIPANTS:

Mr. N. M. Butler, Counselor of British Embassy.

Mr. Hornbeck.

COPIES TO:



Mr. Butler called on me this noon at his request and handed me the paper here attached (which contains a text identical with all but the first three lines of a telegram, no. 470, June 19, 5 p.m., which the Department received from Tokyo this morning). Mr. Butler said that the British Embassy had just received this and that immediately before receiving it they had received a long telegram from the Foreign Office giving a résumé and estimate of the situation and expressing apprehension regarding developments in the Far East. He said that Lord Lothian would doubtless be wanting to talk with the Secretary, but that in the interval and in Lord Lothian's absence (Lothian being today at New Haven where he is receiving

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receiving a degree), he, Butler, had wished to bring this matter immediately to our attention.

Upon reading what Mr. Butler gave me, I stated that we had received similar information and that I had been turning the matter over in my mind.

Mr. Butler said that in the light of what the Foreign Office had said, the Embassy wondered whether it might not be possible and whether it would not be helpful for the American Government to take and to make known a position that "any attempt to change the status quo in the Far East or Pacific will not be tolerated".

There followed some discussion in connection with which I stated that such comments as I was offering were purely personal, unofficial, and in the nature of "thinking out loud". I said that what the Japanese Military Intelligence officer had said to the British Military Attaché in Tokyo was in the nature of a threat and a demand not accompanied by an assurance or a promise. I asked what, if any, advantage one might expect to accrue to Great Britain or to other interested parties were the British Government to take the steps which this officer affirmed might avert trouble (a declaration by Japan of war on Great Britain) between Japan and Great Britain? I asked whether the British position in the Far East will be made any more secure. I pointed out that Great Britain and China are today "resisting force":

Would

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Would a facilitating of Japan's program against China strengthen Great Britain's position either in the Far East or in Europe?

Mr. Butler said that what the Japanese most want is to bring the China campaign to an end and that thereafter the Japanese would turn upon Russia. I expressed doubt on the latter point. Mr. Butler said that the Japanese Army wants one thing and the Japanese Navy another. I expressed the opinion that they both want the same thing--things--expansion and aggrandizement, et cetera, et cetera, for Japan, although they may differ at particular moments regarding what is the more advisable strategy and tactics toward attaining that objective, and that Japan's policy and acts are not those of the Army alone or of the Navy alone but of both functioning as the spearheads of the "military element" in Japan's national efforts.

There followed some discussion of the general situation in Europe and in the Far East. In the course of that part of the conversation, Mr. Butler made the remark that in everything which the Embassy had received from the Foreign Office the indications were that the Foreign Office hoped that the United States would act toward stabilizing the situation in the Pacific and looked upon the presence of the American Fleet there as contributory and desirable in that connection and toward that end.

Mr. Butler

- 4 -

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Mr. Butler said that he wondered whether use might not be made of the China situation toward restraining Japan. He wondered whether clear evidence of intention to give China all possible support--especially in the presence of threats by Japan of further aggressive acts--might not tend to discourage Japan from taking such action. I replied that the American Government has looked with favor upon courses calculated to be of assistance toward making China's resistance to Japan's invasion effective and has favored giving no assent to and no encouragement to any of Japan's various acts of aggression.

Mr. Butler said that Lord Lothian would return to Washington this evening, and I said that in the interval I would bring this conversation to the attention of higher officers of the Department.

SKH

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. Qualen NARS, Date 12-18-75

103

" any attempt to change the status
quo in the Far East or Pacific will
not be tolerated. "

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

Director of Military Intelligence,

Japanese General Staff, sent for the Military
Attache this morning and spoke as follows.

Great Britain's hostile attitude towards
Japan's aspirations in China and pusillanimous
handling of outstanding problems has driven Japan
into Germany's arms and now the overwhelming
majority of the Japanese people and especially
the fighting forces are anti-British. With
the collapse of France and with Britain impotent
in the Far East, the Japanese people feel they would
earn the obloquy of their descendants if they
did not seize the opportunity. The situation
is critical and there is now nothing to stop Japan
from seizing either French Indo China, Netherlands
East Indies, or Hong Kong, or all of them. The
Japanese Forces are already prepared to ^{march} ~~go~~ ^{press}
~~on~~ to the frontier of Indo China to ensure that
the suspension of the transit of foods to China
is being enforced and they may even find it neces-
sary to enter French Indo China. The United
States are in no condition to prevent Japan from
taking whatever action she likes in the Western
Pacific Ocean. Great Britain now has her last
chance/

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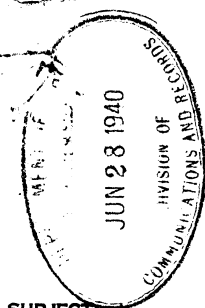
chance and if she takes it, positive action by Japan may be averted. Japan's demands are:-

- (1) Immediate closing of Burmese frontier with China,
- (2) Immediate closing of Hong Kong frontier.
- (3) Immediate withdrawal of British troops from Shanghai.

Instant and decisive compliance with these demands is the only thing that may yet avert a declaration of war by Japan against Great Britain.

The Director of Military Intelligence stated that above is the opinion of the overwhelming majority of the Japanese fighting forces and of the Japanese people and he stated that we deceive ourselves if we believe the soothing words of the Foreign Office. The Government is weak and the Army all powerful. The D.M.I. requested Military Attache to convey the substance of their conversation to His Majesty's Ambassador immediately. In view of the importance of this communication I am taking the matter up with Minister for Foreign Affairs this afternoon.

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



DEPARTMENT OF STATE

Memorandum of Conversation

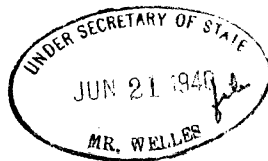
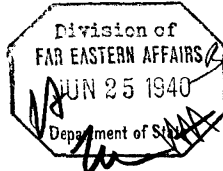
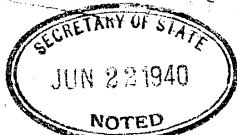
DATE: June 20, 1940.

SUBJECT:

PARTICIPANTS:

The Right Honorable the Marquess of Lothian, British Ambassador.
Mr. Hornbeck.

COPIES TO:



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The British Ambassador took me aside after dinner last evening and said that, having just returned to Washington, he had been informed very briefly by Mr. Butler of the matters which Mr. Butler had brought to my attention yesterday noon. The Ambassador then gave me an outline of his views regarding Great Britain's position and prospects in Europe--along the lines of what he had said at New Haven in an address a text of which is here attached. He said that in his opinion the British Government should not accede to the demands of the Japanese military, as the consequences of doing so would be of no advantage to Great Britain. He felt that both the British and the American

Governments

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Governments should stand firm in regard to the situation in the Far East. He said that his idea of strategy would be for Great Britain to keep her Fleet based upon the British Isles; if the British Isles cease to be usable as a base for that Fleet, move that Fleet to Singapore; so long as the British Fleet is in the eastern Atlantic there would be no great need for the American Fleet in the Atlantic; if the British Fleet disappears from that area, then, of course, the United States Fleet would be needed in the Atlantic; then, a shift of the American Fleet to the Atlantic and of the British Fleet to Singapore would best serve both American interests and British interests.

The Ambassador asked whether the American Government might not to advantage take, in view of the agitation in Japan, some new and special step toward tranquilizing or stabilizing the situation in the Pacific. I said that Mr. Butler had raised that question with me, and that I felt that it was a question which might best be discussed by the Ambassador directly with the Under Secretary or the Secretary.

The Ambassador said that he would hope to call on the Under Secretary or the Secretary shortly.

SKH

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

BRITISH EMBASSY

FOR THE PRESS

June 18th, 1940

RELEASE FOR PUBLICATION AFTER 2.15 P.M.
E.D.S.T. WEDNESDAY JUNE 19th. NOT TO BE
PREVIOUSLY PUBLISHED, QUOTED FROM OR USED
IN ANY WAY.

ADDRESS BY HIS EXCELLENCY THE MARQUESS OF
LOTHIAN AT YALE UNIVERSITY ALUMNI LUNCHEON ON
WEDNESDAY, JUNE 19th., 1940 IN UNIVERSITY HALL.

There is one vital question which I want to discuss with you today. I venture to do so because it affects our two countries directly and because I think it is imperative that we should no longer entertain any illusions about it. We have all been far too much bemused by illusion in recent times.

For more than a century the primary line of defense both of the British Commonwealth and the United States has been the command of the seas. In the last century that command was exercised in the main by Britain. Since 1920, it has been exercised jointly by the United States and Great Britain. Though sometimes there have been difficulties between us in time of war, our sea power has not been used to destroy the independence or legitimate rights of other nations. The seas, except in time of war, have been open to everybody. I doubt if they would so remain if they were under Nazi control. So long as we were superior at sea, you in the Pacific, we in the Atlantic, no hostile fleet or army could approach our shores. Our frontiers were not our coasts but on the other side of the oceans. If we were at war, the war was fought at sea, or in Europe, in Asia, in Africa, and not on our own soil. From our point of view, yours and ours, it was a good system and on the whole the rest of the world thought it was a good system also, because it prevented world war, until the dictators began abusing it a few years ago.

That sea system of security is now under challenge - mainly because of the development of air power. It is certainly Hitler's ultimate and probably immediate objective, because no man better appreciates the value of time, to capture the British and French fleets, and to destroy England and France as fleet and air bases. For then he will be able to step from the mastery of Europe, to world power, because he will then have in his hands the instruments of world power.

It is now only a question of days, or at most of a few weeks, before he seems likely to attempt to do to Britain what he has already done to France. He will attack us from North, East and South, by aeroplane and invasion, from Norway in the North to Normandy in the South. He will use against us not only the resources and bases of Germany but

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those which he has recently captured from Scandinavia, the Low Countries, and France. He will attempt to overrun Great Britain and capture our fleet, our industries, our half-built ships, our aeroplane factories, our overseas resources. The issue will probably be decided this year, in the next six months and not next year or two or three years hence.

The outcome of this grim struggle will affect you almost as much as it will affect us. For if Hitler gets our fleet, or destroys it, the whole foundation on which the security of both our countries has rested for 120 years will have disappeared. Hitler and his associates will then control the sea communications between Great Britain and its dependencies which will be the end of the British Commonwealth as we have known it. And one of the two navies which have hitherto kept all enemies far from your coasts and from South America will be in the hands of powers which, to say the least of it, are insanely imperialist and not too friendly to your way of government and economics. You will then have only one navy to protect a two ocean front. Moreover if Hitler beats us the totalitarian powers will possess aeroplane building facilities, naval and shipbuilding dockyards and industrial resources all over Europe, and especially in Germany, France and Britain, to say nothing of Italy, which will enable them vastly to outbuild your own defensive preparations, whatever they may be, and that indefinitely. Let me be blunt. The only way in which you can avoid being permanently beaten in the race, so far as armaments are concerned, by the totalitarians, is if the armaments and factories of Great Britain and the British Commonwealth, and if it is still possible, of the French Empire ^{are} on your side and not on the side of Hitler and his friends. These are grave facts - very grave. They may thrust themselves into the foreground of decision in a few weeks. It is essential that neither we nor you should entertain illusions about them.

From letters which I receive, and from articles and letters in the press it is clear that many people in the United States believe that somehow or other even if Great Britain is invaded and overrun the British navy will cross the Atlantic and still be available through Canada or otherwise, as part of your own defensive system. I hope you are not building on that expectation. If you are I think you are likely to find your hopes mistaken, that you have been building on an illusion. In the first place it will make a very great difference on which side of the Atlantic the British fleet is based. The sea defense of the Americas, like that of the British Commonwealth, has really depended on the fact that the British navy, which since 1823 has been friendly to the Monroe System, has been based on Europe itself and was therefore able to command the exits from Europe to the Atlantic, through the North Sea, the English Channel, the Straits of Gibraltar and past Cape Town. So long as this was the case no hostile ships, except for a few submarines and raiders, could get into the Atlantic at

all/....

- 3 -

all. You had no serious problem of Atlantic defense. The security of the Americas would be entirely different if these exits and bases were held by a great imperialist power unfriendly to democracy or the Monroe System and your security had to be organized from this side of the Atlantic. To get security you would have to have naval bases far out in the Atlantic, as you have in the Pacific, and in South America. For the seas are only a barrier when they are controlled by a superior fleet. Otherwise they are a roadway to our own doors.

Hitler has just said that once he controls all Europe he will have no interest in or quarrel with America. That sounds plausible enough and Hitler may believe it, as he may have believed the many similar statements he made to Austria, Czecho-Slovakia, Poland, Scandinavia, the Low Countries and France. But history does not bear out his contention. It has never been possible to keep systems so different as aggressive totalitarianism and democracy in water-tight compartments and at peace. The earth cannot long remain half Nazi and half free. Moreover the world has always had to have some system of order in it. It cannot remain an anarchy of nations or continents for long, especially when it has become so small through the aeroplane and radio. It once had the unity of the Roman Empire. Then it had that of the Holy Roman Empire and the Papacy. Then, after a few centuries of lawless wars and expansion, it was given peace from world war by the British system of the last century. If power goes to Hitler he will have to create some kind of world order which will suit the Nazi political and economic system and to which the rest will have to conform or fight.

Secondly, I think it is an illusion for people to believe that in the end the British navy will pass easily to you ~~is that~~ we in Britain shall certainly fight to the end to defend our country because the real Maginot line of defense of the British Commonwealth, as of the Americas, is that Great Britain should continue as an independent power with its fleet based on the British Isles. I am sure that only if we are beaten down and the greater part of the fleet has been sunk in action will the remains of it leave home to assist in the defense of Canada, Australia, New Zealand, South Africa and other distant parts of the Commonwealth in the Indian Ocean and elsewhere. Quite apart from the difficulties which would arise if you were neutral of handing over a fleet designed to protect the British Commonwealth to a power which could not use it for that belligerent purpose, there would be little left over for you. It is my view that we are standing today not in the outer trenches of our old joint naval defense system, but in the last trenches, and that if those trenches - namely the British Isles - were taken we should find that there is no effective line to fall back

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- 4 -

on, as the French have found once the Maginot line and its extension was turned. The overwhelming superiority in armaments, by sea, air and land, which would then be in the hands of Hitler and his friends would compel everybody to accept their terms.

I am not concerned today to attempt to tell you what you should do in this grave matter. That is your business. But I am concerned that if and when the crisis arises you should not be able to turn on me and say "Why did you not warn us about these facts, which are vital to our own security, in time, so that we were able to think about them and come to decisions about them, before it was too late". That is why I have decided to speak to you thus frankly today.

I do not want to give a pessimistic impression today. I am not a pessimist ^{are} at all. There/forces fighting on our side of which Hitler knows little. I only plead for realism and honesty in looking the facts in the face instead of for silence or evasion. We in the British Empire are not downhearted. We believe that Herr Hitler is going to find it a much tougher job than perhaps he thinks to conquer Britain. Our fleet is intact, though the strain on it and particularly on its smaller craft is ~~severed~~ ^{severe}, if Britain has to defend itself from invasion from the East, to protect the convoys entering its Western ports, and prevent the Straits of Gibraltar from becoming a broad highway of assault across our communications Southwards. Our air force has established I believe a genuine ascendancy both in morale and material, over the German air force. It has been clawing down 3 or 4 machines to one, and can with the utmost ease reach the Ruhr. Our people will give a good account of themselves if Hitler's legions attempt to effect a landing, for we believe that the independence of Britain is, literally, the last bastion of freedom in the world today and that if Britain goes it will be very difficult to preserve it for long in our present sense of the word anywhere else. We are grateful to you for the help you have sent us, for arms aeroplanes and machines. We want from you everything you can send us, as quickly as you can send it. They may make all the difference. In the struggle that lies ahead, the last few aeroplanes and torpedo boats and the last few ships of food and raw materials may make the difference between victory and defeat. But if we can hold out till Christmas, if we can prove that Hitler, with all his brutal violence cannot break our spirit or conquer our island, we shall I believe have turned the tide. For Hitler cannot go on for ever. His armies, his stocks are being exhausted. There is not a race or people which does not long for his overthrow. There are deep misgivings in his own country. The vital sources of his industrial power are within bombing range of Britain. The blockade is still effective. If we can last till the

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

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dark winter nights are over, till your supplies, your ships, your aeroplanes are pouring across to our battered land in an ever increasing flood, the brazen front of tyranny, timid as always in the face of fearless resistance, will begin to doubt. For it will know that there is near them something which is invincible, which is stronger than steel or bomb or explosive - the spirit of a free people, and that, as in the case of Napoleon, in the end that spirit will bring down the edifice they have reared by violence and fraud in ruins about their ears, and set free again the nations that have been in chains.

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

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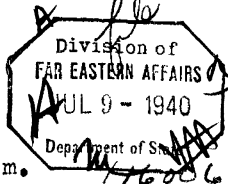
GRAY

FROM Shanghai via N. R.

Dated July 8, 1940

Rec'd 11:56 a.m.

Secretary of State,
Washington.



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

July 9. ege.

602, July 8, 5 p.m.

My 596, July 7, 3 p.m. Incident Involving American

Marines and Japanese Gendarmes.

General Miura, Commander of the Japanese gendarmes in the Shanghai area, apologized yesterday afternoon to Colonel Peck for the intrusion and stated that steps would be taken to prevent recurrences. After the apology had been made and the assurances given the 16 gendarmes were turned over to their superior officers. The incident is considered closed.

Sent to the Department. Repeated to Chungking, Peiping, Tokyo.

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"Gray"

July 9, 1940.

AMERICAN CONSUL

SHANGHAI (CHINA) *via N.P.*

INFO: CHUNGKING AND PEIPING

RUSH. *301*

Your '596, July 7, 3 p.m. and '602, July 8, 5 p.m.

The press here of July 8 and 9 has prominently featured this incident and what are reported to be subsequent developments relating thereto.

In a 'United Press' story dated Shanghai July 8 it is reported that Japanese Army spokesmen have denied that any apology had been made for the intrusion of the arrested Japanese gendarmes into the American sector and it is also reported that Japanese Army men have 'QUOTE' angrily threatened 'UNQUOTE' to make a serious incident.

A Japanese Army spokesman is quoted in the despatch as saying that marines had assaulted and injured three or four of the Japanese involved and that 'QUOTE' they were treated like criminals sentenced to death. ... It was an unfriendly act and a grave insult to the Japanese Army. ...

Enciphered by *1PSQ*

Sent by operator *M.*, 19*40*

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Washington,

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We must conclude that the marines have abandoned their authority as a joint defense force at Shanghai. ... We believe the case will acquire a serious nature in the future. UNQUOTE The Japanese spokesman is also reported to have said that the Japanese Army authorities have decided to make a strong protest and to reserve the right to make QUOTE demands UNQUOTE on the marines.

This morning's New York Times carried a lengthy despatch on the same subject dated Shanghai July 8 in which remarks of the Japanese military spokesman are described as QUOTE the most bitterly anti-American statement officially issued from Japanese sources in Shanghai since hostilities began more than three years ago. UNQUOTE This despatch quotes the QUOTE spokesman's prepared statement UNQUOTE in part as follows: QUOTE We are ready to admit our fault in not giving notification, but on the ground of that single failure the Marines arrested our gendarmes in an insulting manner in the presence of large Chinese crowds. We cannot but regard such conduct by the

Enciphered by TGB

Sent by operator M., 19

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
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Marines as an unfriendly act' ... Both American and Japanese authorities undertook not to release this case to the press. Nothing appeared in the newspapers published within the Japanese defense sector. However, much to the displeasure of the Japanese authorities, reports were published in newspapers appearing in other sectors. UNQUOTE

According to an Associated Press despatch dated Shanghai July 8 QUOTE The blunt retort SUBQUOTE It's a lie END SUBQUOTE was given UNQUOTE by Colonel Peck to Japanese accusations that the gendarmes had been maltreated by marines. Colonel Peck contradicted the Japanese spokesman's denial that the Japanese had made an apology.

A United Press story dated Shanghai July 9 describes headlines in local Japanese newspapers which are stated to have QUOTE reached a new high in vituperation UNQUOTE.

According to a further United Press despatch dated today, a Japanese Embassy spokesman has stated that Japan

Enciphered by _____

Sent by operator _____ M., _____, 19____

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Department of State

Washington,

-4-

would demand an apology and has intimated that rejection of the demand QUOTE might affect the whole course of Japanese-American relations. UNQUOTE The spokesman, Ken Tsurumi, is reported to have stated that QUOTE There is no question regarding the seriousness of the case, which is regarded as a grave insult to the Japanese Army. However, we do not believe that either Japanese or American authorities will pursue such an unwise policy as to aggravate the case until it affects the whole relationship between the two countries. UNQUOTE

Please keep Department ^{fully and} promptly informed of pertinent developments.

Sent to Shanghai. Repeated to Chungking and Peiping.
 Shanghai please airmail to Tokyo.

CR
 JUL 9 1940 PM

16013
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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 D. Gustafson NARS, Date 12-18-75

WASHINGTON DAILY NEWS
July 9, 1940

U. S. Apology Demanded by Japanese

By United Press

SHANGHAI, July 9—A Japanese embassy spokesman today said Japan would demand an apology for the arrest of 16 Japanese policemen by U. S. Marines, and intimated that rejection of the demand might affect the whole course of Japanese-American relations.

Ken Tsurumi, the spokesman, a former embassy secretary at Washington and a former consul at Los Angeles and Portland, Ore., said Japan's protest against the arrests required an apology.

"There is no question regarding the seriousness of the case, which is regarded as a grave insult to the Japanese army," he said. "However, we do not believe that either Japanese or American authorities will pursue such an unwise policy as to aggravate the case until it affects the whole relationship between the two countries."

ANTI-AMERICAN CAMPAIGN BEGUN

Japanese right wing elements started an anti-American campaign in Shanghai in expression of their mounting anger over the arrests. Anti-American placards were posted in Japanese sections of the city.

Mr. Tsurumi, discussing this development, said:

"As a matter of course such a case is likely to excite local Japanese, but Japanese authorities intend to exercise proper control for suppression of any illegal anti-American campaign. It is entirely up to Japanese newspapers how they treat news. Some headlines are somewhat sensational, but such sensationalism is not uncommon in American journalism and we have no intention of suppressing it."

Japanese army censors passed editorials in Japanese newspapers denouncing the Marines and the United States.

Placards headed "Japanese, Arise!" were displayed on the first page of the newspaper Tairiku, Japanese army newspaper in the Shanghai area. There was a photograph of a Marine holding a sub-machine gun and such headlines as "They Treat Japanese Like Animals," "American Insult to Imperial Army; American Atrocity," "Indignation Among Japanese People; Entire Nation Enraged," and "American Gentlemen with Human Faces and Animal Skins Displayed a Hypocritical Attitude."

AMERICAN PROTEST NOT EXPECTED

American authorities intimated they would make no protest, tho the Japanese had protested vigorously in the past whenever any of the American-owned papers here published allegedly pro-Chinese editorials.

The posters seemed to have little effect on Japanese civilians. Several prominent Japanese expressed a desire for an immediate friendly settlement of the arrest incident, taking the position that the Japanese had been at fault.

Marine authorities received last night a formal Japanese army protest against the arrest of the gendarmes. Marines arrested them when they entered the Marine defense sector, in plain clothes but with arms, as a bodyguard for Gen. Juzo Nishio, Japanese troop commander, who insisted on driving thru the Marine sector in observance of the third anniversary of the start of the Chinese-Japanese war.

Japanese army men emphasized the seriousness of the incident and said its outcome depended "entirely on the American attitude." Col. de Witt Peck, Marine commandant, indicated he would counter the Japanese protest with one of his own, asking the Japanese to explain why two of their tanks passed thru the Marine sector yesterday. He would complain also of Japanese discourtesies.

Division of
EASTERN AFFAIRS
JUL 11 1940
Department of State

Tel. to
Shanghai
July 9

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



CHUNGKING AFTER A VISIT BY JAPANESE WARPLANES

Buildings in a residential section, near the French and Soviet embassies, afire after the Japanese dropped loads of incendiary and demolition bombs on the city.

Associated Press

JAPANESE ALLEGE INSULT TO ARMY

Continued From Page One

when men are taken to the marine jail, they were all examined by the American medical officer, and none was found really injured. Three out of the sixteen had superficial cuts that did not require medication.

The charge that the gendarmes were "forced to squat" puzzled Marine headquarters, but it is admitted that the rifle range has no chairs and presumably they sat on their heels (in common Oriental fashion) on the floor or on benches.

The Japanese Army spokesman admits that the Japanese were at fault in not having notified the Marine authorities that they desired the presence of these gendarmes within the American defense sector on Sunday when General Juzo Nishio, visiting from Nanking, inspected the International Settlement and the French Concession.

Otherwise the spokesman insists that the Japanese were blameless.

"The whole affair constitutes a grave insult to the Japanese Army," the spokesman declared, "for the Marines tore the gendarmes' identification cards from their hands, grabbed their bodies, ridiculed them in an insulting manner and even in some cases pulled their ears. Unnecessary and unwarranted violence was committed, although the Marines knew that the men they assaulted were Japanese gendarmes."

Chinese Crowd Mentioned

The spokesman's prepared statement then continued:

"We are ready to admit a fault in not giving notification on the ground of that single Japanese arrested our gendarmes in an insulting manner in the presence of large Chinese crowds. We cannot but regard such conduct by the Marines as an unfriendly act in view of the fact that violence was committed with the full knowledge of the identity of the arrested men."

"We must therefore conclude that the Marines have abandoned their responsibility as part of the joint defense forces assigned to Shanghai to protect foreigners as well as their own nationals in their American defense sector. We cannot overlook this case, which is a grave insult to the Japanese gendarmes and the whole Japanese Army. We believe this case will acquire a serious nature in the future."

There followed charges of bad faith on the part of the American marine authorities: the Japanese spokesman saying:

"Both American and Japanese authorities undertook not to release this case to the press. Nothing appeared in the newspapers published within the Japanese defense sector. However, much to the displeasure of the Japanese authorities, reports were published in newspapers appearing in other sectors."

"The Japanese military authorities will file the strongest protest in this case with the American authorities. No demands will be attached to the protest, but rights are reserved to make demands later."

equally menacing to peace and order as they assert is the presence of British, French and Italian forces.

"A Lie," Says American

SHANGHAI, July 8 (AP) — The blunt remark, "It's a lie," was given by Colonel De Witt Peck, United States Marine commander, to Japanese accusations today that sixteen Japanese plainclothes gendarmes had been maltreated after their arrest by Marines in the American defense area of the Shanghai International Settlement.

A Japanese Army spokesman denied any apology had been given to United States authorities, although he admitted that the Japanese were at fault in not advising that the gendarmes would be sent into the area.

Colonel Peck directly contradicted this statement, and reiterated that Major Gen. Saburo Miura, commander of the Japanese gendarmes, had personally rendered him an apology before the men were released.

"The Japanese got exactly the same consideration and treatment as any man we arrest, including a medical examination," Colonel Peck asserted.

He repeated "It's a lie," when asked about reports that loaded rifles had been pointed at the arrested gendarmes.

The Marine commander gave this story of the affair.

Shanghai Settlement Police informed the Marines that armed civilians were in the American defense sector, and asked that a guard be maintained against any possible terrorist outbreak.

The Settlement Police pointed out the Japanese, whom the Marines arrested and disarmed. One was permitted to telephone his headquarters. Two Japanese officers went to Marine headquarters to discuss the case, and shortly afterward General Miura presented to Colonel Peck a personal apology. The gendarmes then were released.

Japanese Press Abusive

SHANGHAI, Tuesday, July 8 (UP) — Japanese newspapers reached a new high in vituperation today in describing Sunday's dispute between United States Marines and the officers of the Japanese military police.

The Tairiku Shimbun published a first-page photograph of an American Marine armed with a machine gun under the caption:

"He treats Japanese like animals."

A news story on the incident bore these headlines:

"American Insult to the Imperial Japanese Army! . . . A new American atrocity! . . . The entire nation enraged! . . . The American gentleman with a human face but the skin of an animal reveals his hypocrisy!"

A Japanese "suggestion" that United States Marines be "withdrawn" from the International Settlement here to prevent "incidents" was anticipated in some political quarters today.

Some observers believed the Japanese had decided to make an issue of the incident in the hope that it would serve to bring pressure on Washington to withdraw all armed United States forces from China.

Hull Not Alarmed

Special to The New York Times
 WASHINGTON, July 8 — Secretary of State Cordell Hull declined to take an alarmist view at his press conference today of the detention of 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

ment then continued:

"We are ready to admit that we were not giving notification of the ground of that single arrest of the Marines arrested our gendarmes in an insulting manner in the presence of large Chinese crowds. We cannot but regard such conduct by the Marines as an unfriendly act in view of the fact that violence was committed with the full knowledge of the identity of the arrested men."

"We must therefore conclude that the Marines have abandoned their responsibility as part of the joint defense forces assigned to Shanghai to protect foreigners as well as their own nationals in their American defense sector. We cannot overlook this case, which is a grave insult to the Japanese gendarmes and the whole Japanese Army. We believe this case will acquire a serious nature in the future."

Then followed charges of bad faith on the part of the American marine authorities, the Japanese spokesman saying:

"Both American and Japanese authorities undertook not to release this case to the press. Nothing appeared in the newspapers published within the Japanese defense sector. However, much to the displeasure of the Japanese authorities, reports were published in newspapers appearing in other sectors."

"The Japanese military authorities will file the strongest protest in this case with the American authorities. No demands will be attached to the protest, but rights are reserved to make demands later."

The Japanese Army spokesman said that he could not state whether or not Marine Corps officers had witnessed the alleged assault upon the gendarmes. He also said that he did not know whether or not any of the gendarmes had needed the attention of Japanese Army doctors. His initial statement was construed to mean that all sixteen of the gendarmes were manhandled, but he later qualified this, saying that there were "maybe three or four."

Subsequent inquiry fails to substantiate the charge of a breach of faith regarding the release to the newspapers. The arrests occurred about 10 A. M. Hundreds of persons witnessed the facts, and it was impossible to suppress their publication. Actually the Japanese Consulate made telephone observations on the case before noon. The Japanese, however, say that shortly after the noon hour Major Gen. Saburo Miura, commanding the Japanese gendarmes, called upon Colonel De Witt Peck, commander of the Marines, to arrange for the release of the arrested men and the return of their arms. "Whereupon," say the Japanese, "it was jointly agreed not to publicize the incident."

The Marines did not issue any statements after that hour and prior to that had merely replied guardedly to telephoned inquiries.

The incident in itself is relatively unimportant, but the attitude taken up by the Japanese Army creates a grave issue. It has long been known here that some of the "Younger Officers Group," with violently anti-American sentiments, have been waiting for some incident that could be magnified to the extent that they could take the attitude that the presence of American defense forces in Shanghai was

une-gendarmes then were released.

Japanese Press Attacks

SHANGHAI, Tuesday, July 9 (UP)

Japanese newspapers reached a new high in vituperation today in describing Sunday's dispute between United States Marines and the officers of the Japanese military police.

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"He treats Japanese like animals."

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Some observers believed the Japanese had decided to make an issue of the incident in the hope that it would serve to bring pressure on Washington to withdraw all armed United States forces from China.

Hull Not Alarmed

Special to THE NEW YORK TIMES.

WASHINGTON, July 8—Secretary of State Cordell Hull declined to take an alarmist view at his press conference today of the detention of sixteen Japanese police by United States Marines in the International Settlement at Shanghai yesterday.

Although Mr. Hull did not have complete official reports concerning the incident, he said that he had confidence that local United States officials in Shanghai and local Japanese officials there would deal with it in a reasonable and practical way. They had done so in the past when differences had arisen, he remarked.

Asked concerning reports that Great Britain had refused to close the Burma Road to supplies for China, Secretary Hull said that he was not aware that the Japanese demand had been rejected, but explained that he had not kept up closely with those negotiations. He denied flatly reports that the United States had engaged in conversations with Britain on the subject.

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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. Quigley NARS, Date 12-18-75

PA-H
 FE
 Telegram to Shanghai
 July 9

FOR EASTERN AREA
 JUL 9 - 1940
 Department of State

RECEIVED ON POLICY
 MR.
 DEPARTMENT OF STATE

SHANGHAI. -- A JAPANESE EMBASSY SPOKESMAN SAID TODAY THAT JAPAN WOULD
 DEMAND AN APOLOGY FOR THE ARREST OF 16 JAPANESE CIPHERMEN BY U.S.
 MARINES, AND INTIMATED THAT REJECTION OF THE DEMAND MIGHT AFFECT THE
 WHOLE COURSE OF JAPANESE-AMERICAN RELATIONS.
 KEN TSURUMI, THE SECRETARY, A FORMER ALEXANDER SECRETARY AT WASHINGTON
 AND A FORMER CONSUL AT LOS ANGELES AND PORTLAND, ORE., SAID THAT
 JAPAN'S PROTEST AGAINST THE ARRESTS REQUIRED AN APOLOGY. HE NOTED, HE
 SAID, THAT THE APOLOGY WOULD BE FORTHCOMING.
 "THERE IS NO QUESTION REGARDING THE SERIOUSNESS OF THE CASE, WHICH
 IS REGARDED AS A GRAVE INSULT TO THE JAPANESE ARMY," HE SAID.
 "HOWEVER, WE DO NOT BELIEVE THAT EITHER JAPANESE OR AMERICAN AUTHORITIES
 WILL PURSUE SUCH AN UNWISE POLICY AS TO AGGRAVATE THE CASE UNTIL IT
 AFFECTS THE WHOLE RELATIONSHIP BETWEEN THE TWO COUNTRIES."
 749-1843A

TELEGRAM RECEIVED

MP

PLAIN

FROM

Chungking via N. R.

Dated July 8, 1940

Rec'd. 1:45 p. m.

Secretary of State,
Washington



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

July 9. 8. 2. 2.

328, July 8, 8 p. m.

About eighty-eight Japanese planes bombed the southern and western areas of Chungking today. Damage was slight with the majority of the bombs falling in areas already badly devastated. An investigation failed to reveal destruction of objects of a military character. Civilian casualties probably number about fifty persons.

All Americans are believed safe. No (repeat no) reports of damage to American property have been received.

Sent to the department, repeated to Peiping, Hankow, Shanghai. Latter mail to Tokyo.

JOHNSON

WCB

793.94/16014

F/FG

793.94

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

174

MP

FROM

PLAIN

Chungking via N. R.

Dated July 8, 1940

Rec'd. 9:05 a. m.

Secretary of State
Washington



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

July 9. 2. 2. 0.

326, July 8, noon.

Following is the text in English as released by the Central News Agency of a message said to have been issued by General Chiang Kai Shek to friendly powers on the third anniversary of the Lukouchiao incident:

Today is the third anniversary of the day on which China began to resist the military aggression of Japan. I desire on this occasion to give friendly nations a terse account of the light in which the Sino Japanese war and the world situation are viewed by the Chinese Government and people.

One. From the very beginning of resistance we have heard that the scope of our cause is not limited only to a defense of China's existence and independence; it also comprehends a service of the greatest value to future world order and human prosperity. The recent great changes in the European situation have fully proved the complete accuracy of this belief of ours. The Japanese militarists have long entertained an ambition

793.94/16015

F/FG

175

MP -2- #326, July 8, noon from Chungking

ambition of world conquest, and their attack on China is but the first step of their whole scheme of aggression. Had China not fought for the past three years Japan would early have taken advantage of the opportunity to be found in the European war by directly attacking friendly nations' territory and rights on the shores of the Pacific. As things are, however, China, notwithstanding her original deficiencies in point of military equipment, has by virtue of her people's united spirit of resolution and sacrifice, brought Japan in three years near the point of exhaustion and collapse. In continuing with China's stout resistance Japan has been steadily drained of her military and economic strength, while the fighting morale of both her peoples and army has seen an even more ^A acute decline. The result is that Japan has by now lost the power to act as an arbiter of Pacific affairs, and all her schemes of conquest and monopoly have become unrealizable. We may congratulate ourselves upon this fact which is no less satisfactory to friendly nations than to us.

Two. Resistance having achieved the effects I have just described, the confidence of our whole nation in the future of the war is ever mounting. During the past year, such have been the reverses suffered by the armed forces

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MP -3- #326, July 8, noon from Chungking

forces of the Japanese militarists that they have turned to political devices, hoping by the employment of puppets to shatter the unity of our people. Since the revelation of the so-called 'outline of provisions for the readjustment of relations between China and Japan' or private compact concluded by Wang Ching Wei with the enemy on December thirty of last year, the merest child among us has become aware of the shameless treachery and hypocrisy of the Japanese motives. The unanimous solidarity of the Chinese nation has grown only the stronger and its detestation of that treachery and hypocrisy only the more vigorous. This is apparent to all observers both Chinese and foreign. No threats or tricks from Japanese quarters can now disturb the course of this crusade like struggle for our national independence and world justice. Until the enemy have entirely cast off their aggressive policy and withdrawn their forces from our soil, resistance will never halt. This I feel in a position solemnly to reiterate on behalf of my Government and people, in this present message to citizens of friendly nations. (END SECTION ONE).

JOHNSON

DDM

177

TELEGRAM RECEIVED

JT

PLAIN

FROM

CHUNGKING VIA N.R.

Dated July 8, 1940

Rec'd 7:25 p.m.

Secretary of State,
Washington.

326, July 8th. (SECTION TWO)

Three. The sympathy and aid extended to China by friendly nations during the past three years have impressed upon our people a sense of obligation they will never lose. In this respect have two points I wish frankly to put before my readers.

The first is: Militarily and economically Japan is already plunged deep into a quagmire from which she cannot struggle free. The Japan of today is quite powerless to make war on any third nation. The threats she has recently offered the Dutch East Indies, Indo-China and Burma are nothing but bullying and baseless words aimed at the gaining of her predatory and opportunist ends without resort to war. Yet the powers meet such threats with discernment and stern resolution, while they collaborate in devising efficacious means of checking any encroachment. They will thus be discharging a moral and legal responsibility towards China and the Far East from which nothing

can

178

-2- #326, July 8 (SEC TWO) from Chungking

can absolve them. It is the imperative duty of all friendly nations thus to defend the future order of the world. At the outbreak of the Mukden incident there were some among the governments of friendly nations that were hesitant and disconcerted, which inaction has resulted in the present state of disorder prevailing in the world. If friendly nations now treat the Japanese threats to Indo-China, Burma and the Dutch East Indies with the same indifference or tolerance, the outcome will prove unthinkable grave. China, for her part, will not hesitate to oppose with force any future aggressive acts of the Japanese in Indo-China or other Asiatic areas, both with a view to her own security and in pursuance of her consistent policy of working against aggression. For, in fact, all Japan's moves have for the present as their central and governing motive the destruction of our country's existence and independence.

Again, despite the war in Europe, Soviet Russia and the United States have not as yet been involved and they are therefore fully at liberty to exert themselves in China's favor and in opposition to Japan. Such action constitutes,

-3- #326, July 9 (SEC TWO) from Chungking

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constitutes, I believe, not only the bounded duty but also the responsibility of right of those two countries.

Japan is peculiarly dependent upon America for the supply of her military and economic needs. This is a fact universally known. The recent enactment of embargo legislation by the United States Congress was an indication of the popular demand for economic sanctions against Japan. If America and Soviet Russia can speedily take adequate steps to provide China with material assistance, there would be little doubt of an early clarification and stabilization of Pacific affairs such as would not by any means benefit China alone.

Four. Finally, in regard to possible future developments in the world situation, we have one observation on recent occurrences clearly and emphatically to make. It is this. For the success of future efforts for world peace it is essential to change self-sufficient and shortsighted habits of mind in favor of the nation of collaboration between all peace-loving nations towards the creation of a strong international organization built into an effective system of collective security. The last two months of experience gained from the European war lead us to think that without effective organization of collective security among the nations of the world, not only

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-4- #326, July 8 (SEC TWO) from Chungking

only the small and weak ones, but then the large and strong, lack any guarantee for their safe existence. This lesson we ought to take to heart and never forget. We ought to exploit every suitable opportunity for realizing this ideal. In making this appeal, I am speaking for the four hundred and fifty million Chinese people, who wish to strive in company with the citizens of all friendly nations towards this goal, for the establishment of permanent peace in the world and the increase of the prosperity of all mankind."

(END OF MESSAGE)

Sent to Department. Repeated to Peiping, Shanghai. Shanghai please mail to Tokyo.

JOHNSON

JWB:NPL

TELEGRAM RECEIVED

MP

FROM PLAIN

Chungking via N. R.

Dated July 8, 1940

Rec'd. 3:53 p. m.

193.94
Secretary of State,
Washington



COPIES SENT TO
O.N.I. AND M.I.D.
July 9. 89.

327, July 8, 2 p. m.

Following is English text of statement carried by
Central News Agency reportedly issued by Chinese Foreign
Minister on July seven.

"Three years of conflict have brought the enemy no
nearer to his goal. Militarily, Japan has met with
stalemate on the battlefield; politically, she has
achieved nothing and brought only the scorn of the world
by establishing puppet regimes; diplomatically, she has
raised a hornet's nest by her acts of international
brigandage; while economically, she is on the verge of
financial bankruptcy.

Finding that they can make little headway on the
battlefield, the Japanese militarists have decided to
launch an offensive on the third power interests in
China. This is evidenced by the blockade of Tientsin
for almost a year, the intimidation of French Indo-
china into stopping the international trade route,
the

793.94/16016

F/FG

MP -2- 327, July 8, 2 p. m.

the present threat to Hong Kong and the exertion of pressure on the British Government to close Burma as a channel of international trade, and the presentation of more and more demands on the foreign concessions and settlements. A year ago, I uttered the warning that Japan was determined to drive out all foreign interests bag and baggage from China: today no argument is needed to convince foreign powers of the real nature of the so-called 'new order in East Asia,' which a Japanese spokesman recently said 'includes the South Sea Region'.

We are thankful for the sympathy and assistance extended us by friendly nations. China has not only been defending her own national existence but is also helping to defend the position of the powers by frustrating Japan's plan of utilizing the manpower and resources of this vast country to realize her ambition of dominating Asia and ultimately of the world. In other words, we have for the past three years been upholding the sanctity of the Nine Power Treaty and other international agreements and helping to maintain the balance of power in the Far East.

We are confident that we will win, and we will continue to carry on the struggle no matter what changes may take place in the international situation"

Sent

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

MP -3- 327, July 8, 2 p. m.

Sent to the department repeated to Peiping,
Shanghai. Shanghai please mail to Tokyo.

JOHNSON

WSB

TELEGRAM RECEIVED

FROM

RDS

GRAY

Tokyo

Dated July 9, 1940

Rec'd 3:58 a.m.

Secretary of State,

Washington.

552, July 9, 1 p.m.

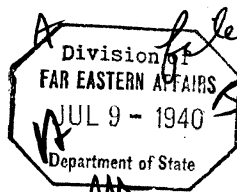
Shanghai's 596, July 7, 3 p.m.

We are today sending by air mail to Shanghai for despatch by naval radio a full summary of a Domei despatch from Shanghai prominently featured by the press this morning which claims that Japanese gendarmes were struck by American marines and otherwise mistreated.

Repeated to Shanghai.

GREW

EMB



FILED
JUL 17 1940

793.94/16017

F/FG

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese hostilities.

Report regarding military situation for April, 1940.

793.94/16018

For the original paper from which reference is taken

See #26
(Despatch, telegram, instruction, letter, etc.)

Dated May 6, 1940 From Swatow (Yearns)
To

File No. 893.00 P.R. Swatow/149

N

U. S. GOVERNMENT PRINTING OFFICE 3-15410

16018

B. RELATIONS WITH OTHER COUNTRIES.

1. JAPAN.

793.94
a. Sino-Japanese Hostilities. The military situation was quiet during April and for the first time in several months no important military activities on the part of the Japanese or the Chinese regulars or guerrillas were reported. After the campaign in March⁽¹⁾ both sides appeared to have settled down with the general situation unchanged. The Japanese continued some aerial activity and from time to time planes left swatow in a westerly direction with bombs in racks, returning later with the racks empty. A few troops were landed but equal numbers were embarked leaving the total number in the district unchanged.

b. Princes

(1) March 1949 Political Report.

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese relations: developments of April, 1940.

793.94/16019

For the original paper from which reference is taken

See #2655
(Despatch, telegram, instruction, letter, etc.)

Dated May 20, 1940 From China (Smyth)
To

File No. 893.00 P.R./169

16019

4. Japan:

a. The general situation:

793.94
(174-10)

There was a fair amount of indecisive military activity during the month. The new Japanese sponsored regime at Hankow accomplished nothing of importance, and it became increasingly clear that North China would remain at least semi-autonomous. There were further indications that Japanese economic and financial plans in North China were not meeting with the success hoped for by the Japanese.

b. Military operations in North China: 11

Chinese reports claimed that the Japanese had withdrawn from Suiyuan toward Paotow April 1. There was little military activity in the Suiyuan area and military observers felt that the Japanese might have given up the idea of controlling west Suiyuan and decided to content themselves with maintaining their limit of western advance at Paotow and outposts thereof.

The

10. Department's Radio Bulletin no. 91 of April 17, 1940.

11. Military Attaché's Situation Report no. 9873 of May 1, 1940.

- 5 -

The Japanese carried out fairly large scale operations in southern and southeastern Shansi, apparently intended to annihilate or disperse Chinese troops in the Chungtiao and Taihang mountain areas, cut off supplies which those troops had been receiving across the Yellow River, and demonstrate that the Japanese Army was still able and willing to strike effectively. The operations commenced April 17 when several Japanese columns moved from the southern Tungpu Railway sector towards the Yellow River; these forces captured Painan-chen, Pinglu and Maotsingtu, and by the end of the month were approaching Yuantsu against stiff Chinese resistance. Other Japanese columns began to advance April 20-22 south from the Luan area and west from the Yieheng-Fowshan region, capturing Kaoping April 21 and Tzechow April 25. Still another Japanese column moved west from Paotai to cut the Chinese withdrawal southward from Tzechow. Chinese and Japanese reports on these operations conflicted and, although it was probable that the Japanese had captured certain places, they apparently did not succeed in disposing of the Chinese forces, as fighting appeared to be still in progress.

c. Military operations in
Central China: 12

The Japanese army spokesman at Hankow announced April 9 the withdrawal of Japanese troops from outlying posts to the west of Nanchang, from Fengsin, Kiangsi, and from Macheng, Hupeh. The Chinese seized the initiative from the Japanese, noticeably increasing their

activity

12. Hankow's May 3, 9 a.m., to Peiping only (monthly summary).

- 6 -

activity on all fronts. A westward Japanese offensive based on Huishien and Hsiho, anticipated for late April, failed to materialize due to Chinese diversions.

Large bodies of Japanese troops were withdrawn from the Canton-Hankow Railway zone leaving the defense of Yoyang largely to the navy and air force. The Japanese retaliated against Chinese pressure on Nanchang and the railway to Kiukiang with counterattacks westward which accomplished little and cost them heavy casualties. The Chinese threat to Yangtze communications increased at points below Kiukiang.

4. Military operations in South China:

During the first half of the month several Japanese columns carried out operations designed to break up Chinese threats which developed west of Nanning in Kwangsi Province. In the course of these operations the Japanese occupied and later evacuated a number of towns of secondary importance, including Tschien, Tungcheng and Kanyu.

There was little military activity in the Canton area and the relative positions of the opposing forces were not materially altered. Chinese guerrilla forces¹³ appeared to be increasingly active.

The American Consul General at Hong Kong stated that Japanese naval units were reported to have been in more active movement than usual up and down the coast from Hanoi to Hainan. A concentration of several vessels including an aircraft carrier in Bias Bay was marked by

an

13. Canton's May 3, 6 p.m., to Peiping only (monthly summary).

- 7 -

an apparently desultory bombing of nearby villages.¹⁴

e. Military operations in
the occupied areas:

The Japanese engaged in slightly intensified operations against guerrillas in Hopei, mainly along the Peiping-Hankow Railway and in the Taming area.

The Chinese attempted a counter-offensive in eastern Honan during the month. One Chinese force which was believed to be preparing an attack on Taikang was dispersed by the Japanese April 16 before the Chinese were ready to move. A more serious situation arose when the Chinese attacked Kaifeng April 23; the Chinese succeeded in surprising the Japanese and entered the city but were compelled to withdraw when Japanese reinforcements arrived. A military observer expressed the opinion that if the Chinese had employed an adequate force and had coordinated their Taikang action with that at Kaifeng, the Japanese would have been placed¹⁵ in a very difficult position.

Shantung was generally quiet. The American Vice Consul at Tsinan stated, however, that while no unusual military activities were reported, casualties among Japanese troops were apparently increasing and there were indications that the Chinese were preparing for an offensive. He added that the Chinese appeared to have taken effective steps to curtail the important revenue¹⁶ producing salt trade between Yangkiakow and Tsinan.

The Japanese carried on operations against Chinese forces in Anhwei south of Suhu, where considerable

fighting

14. Hong Kong's May 1, 9 a.m., to Peiping only (monthly summary).
15. Military Attaché's situation Report no. 9873 of May 1, 1940.
16. Tsinan's April 30 to Peiping only (monthly summary).

- 8 -

fighting was reported; the Japanese claimed the capture of Fanchang and Tsingyang. Some fighting was also reported in the Shanghai area where the killing of two Japanese soldiers by guerrillas immediately west of Shanghai was followed by the burning of several villages and the massacre by Japanese troops of five hundred Chinese civilians.¹⁷

f. Aerial activities:

The Japanese air force was slightly more active than during March. Japanese planes supported ground operations in Shansi, carried out numerous bombing operations along highways in Kwangsi and made raids in a number of other provinces. Japanese airplanes resumed bombing of the Indochina-Yunnan Railway April 26 after traffic on the road, damaged by raids in January and February, had been restored to nearly normal; a second attack was made April 30 but the damage caused by the two raids was not great and was rapidly repaired.¹⁸

Chinese planes bombed Yuncheng, a Japanese air base in southern Shansi, April 3; Yochow, Hunan, April 3 and 12; and the vicinity of Sinyang, Honan, April 29. Chinese planes were also reported to have bombed Hwangpei, Hupeh, April 20 and 29, and the Canton-Hankow Railway near Fuchi April 29.¹⁹ It was not believed that the damage resulting from these raids was heavy, as military observers considered that the Chinese air force was still too prone to drop bombs near the outskirts of its

objectives

17. Shanghai's May 1, 2 p.m., to Peiping only (monthly summary).
18. Yunnanfu's May 2, 3 p.m., to Peiping only (monthly summary).
19. Hankow's May 3, 9 a.m., to Peiping only (monthly summary).

- 9 -

objectives and then hasten away before pursuit developed.

C. Political activities in
the occupied areas.

²¹
The American Embassy at Hanking reported that on April 23 a delegation composed of prominent Japanese personages and headed by General Abe arrived in Hanking to felicitate the new Japanese sponsored "national government". On April 26 the congratulatory ceremony took place at which General Abe, Wang Ching-wei and Chu Min-yi delivered mutually complimentary speeches and vowed to cooperate in the establishment of a "new order in East Asia". It was understood that the majority of the members of the mission would shortly return to Japan but that General Abe and a staff of diplomatic and other experts would remain to negotiate a basic treaty, following which he would probably be named Japanese ambassador to the new regime.

The question of foreign recognition was one of concern to the new "government". The statement made March 30 by Secretary Hull (see Embassy's monthly report for March) provoked a sharp public retort from a member of the new regime and anti-American propaganda appeared in some of Wang Ching-wei's publications. The new "government" apparently expected early recognition by the Italian and German governments and hoped that Great Britain and France would prove to be sympathetic.

Wang Ching-wei visited Peiping, Nanking, Hankow and Canton during the month, apparently in order to create the impression that the jurisdiction of the

"national

20. Military Attaché's situation report no. 987 of
May 1, 1940.

21. Hanking's May 1, 6 p.m. to Peiping only (monthly
summary).

- 10 -

"national government" covered a wide area, but nothing has occurred to give substance to the desired impression. The new "government" has not yet been thoroughly organized even in Nanking and is handicapped by lack of suitable accommodations (the Japanese military remain in occupation of many of the most desirable public buildings), limited funds, and continued Japanese military, political and economic dominance over Nanking and all areas nominally under its jurisdiction. Considerable friction was also reported to exist between Wang Ching-wei followers on the one hand and members of the former Reformed Government and "Provisional Government" on the other. Little was actually accomplished by the new "government", although its propaganda organs issued reports in regard to future plans; among other things, the Wang Ching-wei press emphasized the necessity of effecting the return of foreign concessions in China.²²

It became increasingly evident that North China would remain at least semi-autonomous, rendering only nominal allegiance to the "national government" at Nanking.

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



PLAIN

Chungking via N. R.

Dated July 9, 1940

Rec'd 12:29 p.m.

Secretary of State,
Washington.

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

330, July 9, 5 p.m. *July 10. EPR*

793.94

Two groups comprising about sixty Japanese bombing planes today bombed the south central section of Chungking and the north suburb of Kiangpeh. Property damage appears to have been slight. Casualties are estimated to have been slight. Casualties are estimated to have numbered about thirty persons most of whom are reported to have been killed while approximately fifteen Chinese boats of the junk type were struck while lying off Kiangpeh.

All American nationals and their properties appear to have escaped injury.

Sent to the Department, repeated to Paiping, Hankow, Shanghai. Shanghai please mail to Tokyo.

JOHNSON

McL

793.94/16020

F/FG

TELEGRAM RECEIVED

MA

GRAY



Shanghai

Dated July 9, 1940

Rec'd 2:18 p.m.

Secretary of State

Washington

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

606, July 9, 6 p.m.

My 602, July 8, 5 p.m., incident involving American
marines and Japanese gendarmes.

Yesterday afternoon the case was reopened when
the commander of the Japanese gendarmes addressed a
written protest to Colonel Peck alleging that after the
16 gendarmes were released it was discovered that five
of them had been unnecessarily struck and manhandled by
the Marines who arrested them. At a press conference
yesterday afternoon Colonel Saito, spokesman of the
Japanese military in Shanghai, (he was born and
received his early education in Hawaii) made an immoderate
and inciting statement regarding the incident. The local
press gave considerable publicity to the Saito statement
today. The local Japanese press carried exaggerated
accounts of the incident under banner headlines, stating
that some of the arrested gendarmes were beaten and that
the Japanese army consequently had been insulted.

At noon

793.94/16021

F/FG

793.94
note
893.1028

182

MA -2- tel # 606 July 9 from Shanghai

At noon today ^{*the Fourth*} ~~non-combatant~~ Marines issued a *882*
press release regarding this matter. The text is
being reported by radio separately. Colonel Peck has not
as yet replied to the Japanese protest.

Repeated to Chungking, Peiping by air mail to
Tokyo.

BUTRICK

WSB

DECLASSIFIED: E.O. 11652, 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 ☐ Full rate
☐ Day letter
☐ Night letter
Charge Department:
Full rate
Day letter
Night letter
Charge to AMEMBASSY,
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TELEGRAM SENT

183

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTAIR
PLAIN ✓

Department of State

Washington,
July 8, 1940

TOKYO (JAPAN).

249 EIGHTH

At the press conference on July 8 the Secretary replied in the negative when asked whether he had seen ^a statement written by Admiral Yarnell for the United Press stating what our policy in the Far East should be.

In response to an inquiry in regard to reports of an incident in Shanghai involving American marines and Japanese, the Secretary said that we have had nothing official on the matter, that local officials are accustomed to dealing with such matters, and that he has confidence that American and Japanese officials in Shanghai will deal with the matter in a reasonable and practical way as they have many times in the past when some difference has arisen.

A correspondent asked whether British rejection of the Japanese demand concerning Burma was made after consultation with our Government and has its approval. The Secretary replied that he was unaware that the matter had reached the exact status to which the correspondent referred. A correspondent asked whether the Secretary could cast any light on the statement of Mr. Butler to the House of Commons last week that the American and British Governments were

Enciphered by _____

Sent by operator _____ M., _____, 19____

793.94/16021A

F/FG

7578
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
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NONCONFIDENTIAL CODE
PARTAIR
PLAIN

Collect { Full rate
Day letter
Night letter

184
Department of State

Charge Department:

Full rate
Day letter
Night letter

-2-

Washington.

Charge to
\$

engaged in conversations concerning the possible disposal
of naval forces in the Pacific. The Secretary said that so
far as he knew there is no truth in that statement. He
added that of course we took notice of the French surrender --
the armistice -- but that is the interim period during
which the peace negotiations are still to be taken up.

Hull
S147

1
BUL 8 1940

FE:EGC:HJN

Enciphered by _____

Sent by operator _____ M., _____, 19____

185

July 8, 1940.

Q. Mr. Secretary, despatches from Chungking this morning describe the Chinese Government as stunned by Mr. Warley's statement of Saturday from Hyde Park relating to the proposal for settlement by Asiatics of the disposition of the European colonies in Asia. This has been interpreted as a suggestion that the Chinese, Japanese and the other Far Eastern peoples dispose of the Netherlands Indies. Could you clarify the statement in any way?

A. According to my understanding about the general statement that was made and given to the press up at Hyde Park, it was not intended to define policy, either new policy or modification of existing policy. I think probably the statement that was agreed upon by the Government, the President and the State Department which I put out as a public statement does contain a policy as we undertake to practice it.

Q. Is it possible, Sir, that some false construction was put on this statement of Mr. Warley's, bearing in mind that you had seen the President a half hour before it was sent out.

A. I have not seen the President since he left here last week. I don't have anything in mind more than I have said that would shed light on it.

Q. There is no change in the policy as defined in your statement of last Friday?

A. I have given you my understanding of the situation.

Q. Mr. Secretary, have you ~~seen~~ had a chance to see the statement which Admiral Yarnell wrote for the United Press, stating what our policy should be in the Far East?

A. I don't think it has come in yet. I have heard about an interesting article he wrote for the United Press, I believe it was.

A. Yes, Sir.

Q. Mr. Secretary, have you had any reports of the incident in Shanghai resulting from United States marines arresting Japanese gunmen and their subsequent release?

A. No, I have not had anything official in that subject. Naturally, the local officials are accustomed to dealing with matters of that kind. I have confidence that our ~~at~~ local officials and the local

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

officials of Japan will deal with it in a reasonable and practical way as they have on a number of occasions in the past when some difference has arisen.

Q. Mr. Secretary, could you say whether the British rejection of the Japanese demand regarding Burma was done after consultation with the United States Government, and has its approval?

A. I was not aware that they had reached the exact status of the stage you refer to.

Q. We have despatches from Tokyo today saying that it was authoritatively stated there that they have rejected the demands.

A. I would want to look into that before undertaking to discuss it. I have not kept closely up with the British negotiations whatever they may have been.

Q. Mr. Secretary, one of the secretaries of the British Government, Mr. Butler, last week told the Commons that the United States and the British Government were engaged in conversations, I believe he said, relating to the possible disposal of naval forces in the Pacific. Could you cast any light on that.

A. No. There is no truth in that so far as I know. I should have said to you that, of course, we took notice of the French surrender, that is, the armistice but that is the interim period during which the peace proceedings are still to be taken up.

TELEGRAM RECEIVED

AS

PLAIN & GRAY

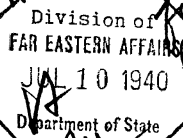
FROM

Shanghai via N. R.

Dated July 9, 1940

Rec'd 7 a.m., 10th

Secretary of State
Washington.



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

607. July ninth.
793.94/16021
My 306, July 9, 6 p.m.

July 10 892

Following is text of press release:

"Headquarters Fourth Marines Shanghai China press release 12 noon July 9, 1940. On seventh July nineteen forty, the anniversary of the Loucouchiao incident, the Fourth Marines were acting in active support of the SMP at the request of the police to prevent anti-Japanese demonstrations and terrorists activity. At about 10 a.m. the marines were informed by police that strange Japanese in civilian clothes, thought to be gendarmes, and carrying concealed weapons, were gathered on Bubling Well Road. These men were along the route over which the Japanese General Nishio was expected to pass soon. The marines were responsible for general Nishio's safety as long as he remained in the American section, and as these men might be terrorists it was necessary to remove them and

793.94/16022

F/FG

187

AS-2- #607, July ninth, from Shanghai via N. R.

and remove them fast. No time was available to communicate with Japanese authorities to verify these men's identities. Orders were issued for their arrest. In officers patrol accompanied by an officer of the SMP who pointed out the suspected characters expected the arrests. Some resisted. Identification cards were produced stating that the men were members of the Japanese gendarmerie. However, doubt was cast on this because of the fact that the marine authorities had not been informed that Japanese gendarmes would operate in the marine sector.

The leader of the SE men was permitted to call his superiors. Japanese gendarmes officers arrived at marine headquarters and identified these men as gendarmes. The officers were thereon informed that the men would be released but that an apology from General Nishio was expected for placing his men, armed and in apparent disguise, in the American sector without American knowledge or authority. General arrived at marine headquarters at three p.m. and expressed his regret of the incident and stated that it was by accident that the marines had not been notified, and gave assurances that the incident would not recur. The men were released. Routine examinations by a medical officer when the men were arrested disclosed that

188

AS-3- #607, July 9th, from Shanghai via N. R.

that only three were injured and that these had only superficial cuts requiring only iodine treatment. These were men who had resisted arrest.

Also, the unexpected presence of a high ranking Japanese official with a large Japanese escort in this area on this anniversary day, when anti-Japanese demonstrations might be expected, placed a double burden on the marines to insure the safety of this unannounced guest". Sent to Department. Repeated to Chungking; Peiping. By airmail to Tokyo.

BUTRICK

DDM

189

TELEGRAM RECEIVED

ATP

GRAY

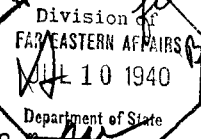
FROM

Shanghai via N.R.

Dated July 10, 1940

REC'd 9:05 a.m.

Secretary of State,
Washington.



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

616, July 10, 6 p.m.
Your 301, July 9, 7 p.m.

July 10, 1940

with 893,102 S

The United Press reports are apparently substantially in accord with statements actually issued. The heavy press campaign being carried on by Japanese controlled newspapers here, which are allegedly under Japanese army influence leads me to believe that dissension or machinations within the Japanese army are behind the move but of course I have no proof. Colonel Peck's statement quoted in full in my 607, July 9 covers the facts in the case. I have thus far received no communication from the Japanese authorities in the case, nor have I sent any. I shall keep the Department fully informed of developments.

Sent to the Department!

Repeated to Chungking, Peiping.

Code text by air mail to Tokyo.

BUTRICK

TFV

793.94/16023

F/FG

0584

DECLASSIFIED: E.O. 11652, 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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OR
Charge to
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TELEGRAM SENT

Department of State

TO BE TRANSMITTED
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NONCONFIDENTIAL CODE
PARTIAL
PLAIN

Washington, NAVAL RADIO

July 10, 1940
6pm. A.I.

AMERICAN CONSUL,
SHANGHAI (CHINA) *via N.R.*
INFO: AMEMBASSY, CHUNGKING (CHINA)
AMEMBASSY, PEIPING (CHINA).

This cable was sent in confidential Code.
It should be carefully paraphrased before
being communicated to anyone. *A-1*

79394

RUSH. 303

Department's 301, July 9, 7 p.m. and your 616,
July 10, 6 p.m.

The American press here continues to give prominence
to stories from Shanghai in regard to this matter. *[in]*
~~Associated Press report from Shanghai under date July 10~~
states that

QUOTE The Japanese Navy today joined the Army in
bitter verbal attacks on the United States marine garri-
son in Shanghai, reiterating charges that Japanese
gendarmes arrested by marines July 7 had been maltreated
and the Japanese military insulted.

Rear Admiral Moriiji Takeda, commander of the Japa-
nese naval garrison here, told newspapermen that SUBQUOTE
the violence and insults inflicted on the Japanese
gendarmes were barbarous acts beyond description END
SUBQUOTE. UNQUOTE. *7*

Enciphered by _____
Sent by operator _____ M., _____, 19____

793.94/16023

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

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TELEGRAM SENT

191

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTAIR
PLAIN

Department of State

-2-

Washington,

/I am/confident that/you are/keeping/in the/closest/
possible/touch/with the/Commandant of/the American/
Marines/and that/all/American authorities/concerned/are
endeavoring/to effect/an adjustment/of the situation/on
a basis of/prudence/and/reasonableness./ I am/confident/
also that/all/American authorities/concerned/are care-
fully/refraining from/statements/which might be made a/
pretext/for further/sensationalizing/of this/incident/

/ Please show/this/telegram to/Colonel/Peck/

/ Sent to/Shanghai./ Repeated to/Chungking/and/
Peiping/

Handwritten signature

✓
CR
JUL 10 1940 PM

FE:MMH:HES

FE
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PA/H
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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 D. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

AS

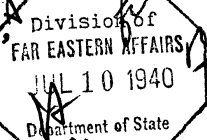
FROM PLAIN

Tokyo via Shanghai and N.R.

Dated July 8, 1940

Rec'd 5:32 a.m., 10th

Secretary of State,
Washington.



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

July 10 5:32

For Department.

Information: Chungking, Peiping.

547, eighth.

One. Following are pertinent excerpts from Foreign Minister's address last night on occasion of celebration third anniversary beginning China hostilities. "*** Japanese Government in order firmly to establish peaceful relations with New China on July fifth began negotiations for conclusion basic Sino-Japanese treaty when this is concluded new relations of mutual assistance and prosperity will be established between Japan China *** European situations drastically changed result of bold German military operations status East Indies French Indochina may be greatly affected thereby *** Japanese fundamental policy even in face of these worldshaking changes remains firm unchanged *** this policy is to assist to each country its own place in world and

793.94/16024

F/FG

793.94

AS-2- #547, eighth, from Tokyo via Shanghai and N.R.

and must indeed be basis of world peace *** for realization this ideal peoples closely related geographically racially culturally and economically must form their own sphere of mutual assistance and prosperity peace and order must be established first of all within each sphere *** following this efforts must be made establish similar peaceful relations with other spheres *** Japan as stabilizing force East India cannot ignore undesirable effects on stability East Asia brought about by European hostilities *** Japan must expect utmost efforts for settlement China incident and construction new order East Asia *** maintenance of these fundamental policy will enable Japan meet world conditions which are changing with bewildering rapidity*** Japan aim is to stabilize East Asia and thereby contribute to Japan stabilization but methods employed to accomplish this end must vary with changes in international situation having seen fate of various countries in Europe I feel keenly that there is nothing upon which Japan may depend except its own strength Japan must profitably utilize effect of great war and must make every effort for industrial expansion and strengthening of armed forces.
(END SECTION ONE)

DDM

GREW

JI

GRAY
TELEGRAM RECEIVED

Tokyo via Shanghai & N.R.

Dated July 8, 1940

FROM

Rec'd 3:53 a.m. 10th

Secretary of State

Washington

547, Eighth. (SECTION TWO)

Two. This stampede followed addresses by the Prime Minister, War Minister and Navy Minister and was given at Hibiya Hall. The audience throughout the Foreign Minister's address was noisy and hecklers were prominently heard. On one occasion a heckler jumped to his feet and reportedly shouted "dont lie, change your policy to conform with actual conditions in the world".

The heckler was seized by the police and confusion in the audience was so great the Minister was forced to pause until order had been restored. The radio was turned off. The press reports today that the hecklers were members of the Tohokai, the Nationalistic Society. Police reserves were called from the central police station but further disorder has not been reported.

Repeated to Department. Shanghai please repeat to Chungking, Peiping.

GREW

WSB

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

CROSS-REFERENCE FILE

NOTE

SUBJECT Sino-Japanese conflict.
Military-guerilla situation.

793.94 / 16025

For the original paper from which reference is taken

See #254 to Embassy
(Despatch, telegram, instruction, letter, etc.)

Dated June 7, 1940 From Tsinan (Hawthorne)
To

File No. 893.00 P.R. Tsinan/129

16025

- 3 -

allegedly because the American postal authorities refuse to accept such packages addressed to occupied China unless the contents are covered by import permits.

5. Interference with American business in the Tainan consular district during May 1940.

(See separate despatch to the Embassy on the above subject, copies to the Department, file 690).

B. Relations with other countries.

1. Japan.

a. Military-guerrilla situation.¹

793.94
A Reuter press despatch from Chungking dated May 21st reported serious fighting in southwestern Shantung near the Shantung-Kiangsu border. Japanese sources confirm that a battle between Japanese troops and a combined force of Chinese of the 37th and 8th Route Armies,² numbering about 5,000 men, occurred just north of Tancheng on May 18-19. The Japanese claim that, after 20 hours' fighting, "the crack units of the enemy were crushed." This report was offset, however, by a communique issued by the Japanese Garrison Headquarters in Tainan on May 30th in which it was stated that the above-named Chinese force and Japanese troops had again made contact in the Tancheng area on May 28th.

Official Japanese admission that 47th and 8th Route Army troops are cooperating likewise places in their true light Japanese press reports of dissension between the latter and all other Chinese military units. As regards the communists' alleged mistreatment of the people, an American observer in Weihsien, Shantung, reported during the month that:

1. Of. Consulate's despatch to Embassy no. 846, file 600 (copies to the Department).
2. The former under General Yu Hsueh-chung.

- 4 -

"My observation leads me to believe that the 8th Route crowd are welcomed by the people. Also Yu Hsueh-chung and his men."

The same observer added that "the Chinese here feel that they will get the victory some time."

A skirmish between Japanese troops and armed Chinese occurred on the outskirts of Tsinan on May 2-3, and fighting took place around Weihsien during the second week in May, in some of which regular Chinese troops are believed to have been involved. An increase in the number of guerrillas in the vicinity of Weihsien was also reported. It is said that "the Japanese go to get them (the guerrillas) but are there just too late and the innocent suffer." So the burning of villages continues.

Japanese forces were active in the Sintai-Mengyin-Ishui area of southern Shantung, where they claim to have inflicted on the enemy losses totaling 1,500 and to have captured important quantities of material. That the situation in the above-mentioned region was still tense up to the third week in May is revealed from the following message from an American missionary temporarily visiting Ishui:

"We are requested to return to Chusien tomorrow en route to Tsingtao the next day. We are to have the protection of escorting cars."

Small-scale military operations were also reported in northern Shantung during the month.

On the basis of available information, it is believed that the initiative for the military operations referred to above was divided and that they were indecisive. On the other hand, Japanese claims of the continued defection of small groups or units of armed Chinese are probably true. If so, such transfers of

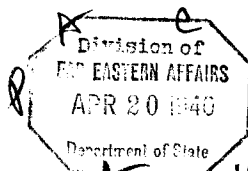
allegiance
1. The American in question has safely reached Tsingtao.

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 -

alliances are believed to have been influenced more by subsistence problems (in view of the destitute state of large areas of Shantung) than by any Japanese military pressure.

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



AMERICAN EMBASSY

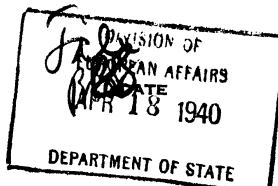
LONDON, ENGLAND, April 5, 1940. 19

Handwritten initials and signature
DCR

BRITISH PRESS COMMENTS TRANSMITTED TO THE DEPARTMENT OF STATE
AS FOLLOWS:

NO.	GENERAL SUBJECT	PAPER	TITLE OF ARTICLE
DIVISION OF FAR EASTERN AFFAIRS.			
1.	FINANCIAL TIMES	Mar. 28, U.S. POLICY & SILVER.	
2.	MANCHESTER GUARDIAN	" 16, GOOD AND BAD IN UNCONQUERED CHINA.	
3.	SUNDAY TIMES	" 17, SET-BACKS FOR JAPAN.	
4.	THE TIMES	" 18, BRITAIN AND CHINA.	
5.	THE TIMES	" " TOKYO'S "LAST THROW"	
6.	MANCHESTER GUARDIAN	" " OPINION MOVING IN JAPAN.	
7.	THE TIMES	" 19, JAPANESE TRADE PACT WITH ARGENTINA.	
8.	THE TIMES	" 23, JAPAN TO KEEP OUT OF EUROPEAN AFFAIRS.	
9.	THE TIMES	" 25, GUERRILLA IN CHINA.	
10.	THE TIMES	" " A JAPANESE EXPERIMENT.	
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13.	MANCHESTER GUARDIAN	" " WILL JAPAN GAIN FROM THE WAR?	
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15.	THE TIMES	" " JAPANESE NEED OF PEACE.	
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GOOD AND BAD IN UNCONQUERED CHINA

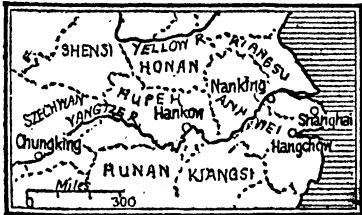
National Consciousness in the Occupied Provinces

[This is the second of two articles on a journey behind the Japanese lines in China.]

By Agnes Smedley

FIFTH WAR ZONE, CENTRAL CHINA, DECEMBER 25.

Honan Province does not share the reform activity of Anhwei. One special commissioner over eight hsien in Eastern Honan expressed himself in this way, "We do not have the same system as Anhwei. By this we do not gain anything, but at the same time we do not lose anything. We keep things as they are."



"Things as they are" in Eastern Honan are indescribably bitter. That region was formerly Soviet, over which poor peasants fought for years, holding the territory as their own. No words exist to describe the poverty of that region, and no human beings have ever lived on a lower level of existence than do the common people there. The Communist uprising in that region in the past was the uprising of serfs against a feudal landlord and merchant class. By "keeping things as they are" officials do not change any of the causes that led to the first Communist revolt. Bitter as China's suffering is, still I have never seen more bitterness, more hunger, more sickness and disease than in that region. That is true of all Honan, though in a somewhat lesser degree of other parts of the province, except in the north, where poverty is even deeper and intensified by Japanese depredations.

There is resistance to the Japanese in Honan, but it is a bitter resistance based on racial consciousness and self-preservation only, unrelieved by enlightened political thought and change, and it is based on conscription only, the obedience of the "lower classes" to their rulers. Here and there one can find an enlightened magistrate who wishes his people to be educated and organized, but he is restrained by orders from above. In the province the Japanese are confined to a few points along the Lunghai railway in the north, and to Sinyang, their farthest point on the Peiping-Hankow railway, in the

extreme south. From Sinyang northward the railway has been totally destroyed, and I found a big machine-shop, worked by hand, in which railway workers were hammering rails into big swords and selling them at \$3.20 (Chinese) each to the local armed forces of the province. Sinyang, in the south, is now under a furious attack by the regular Chinese armies and local guerrillas.

TERROR FROM THE AIR

As I approached North Hupeh Province the war began to make itself felt once more, for we neared one of the main fronts of the country. The Japanese rear is peacefully in Chinese hands, but near the front the days and nights are tense with air raids and with alarms. The terror that sweeps through a Chinese town when an air alarm sounds at night must be lived through to be understood. Doors slam, voices cry, the streets are filled with running feet, children cry for their mothers, mothers scream for their children, and there is a confusion of voices in mortal terror. As we approached this region, which as late as May was a battlefield, I heard once more—for the tenth time—a story, this time from foreigners, that the Japanese burn their severely wounded when in retreat. Both Chinese and foreigners tell this story from towns in which they have been under Japanese occupation. They say that when in retreat, and unable to transport their severely wounded, the Japanese burn not only their dead but their severely wounded. It is said they think this demoralises their army less than if they left their wounded to be captured by the Chinese.

In the vast region I have traversed a few general facts stand out from the great mass of material I have gathered: (1) The Japanese do not control their rear at all, but their rear is a Chinese base and a Chinese front; they do not have enough forces to control their rear. (2) Chinese resistance and moral are much stronger than in the first period of the war—the armies and guerrillas have learned much and are confident of victory; they seemed determined to struggle until the last Japanese is driven out of their country. (3) There is much development of national consciousness in all armed Chinese forces and amongst the common people. This varies in degree; in some it is low, on a level of self-preservation; in some armies it is a national consciousness only; in armies such as the guerrillas and mobile forces under Communist control it is national and international in character and is deeper and broader than

in others. (5) Many parts of the country remain unorganised, some conservative authorities still fearing for their own future power, if the people are organised and educated about their own rights as citizens. (6) The actual fighters of the nation are primarily peasants, with some workers and hand-workers. The poor of the nation are doing the fighting. A few new lower officers are former students, but students or other educated elements are never fighters. Wherever a fringe of educated men is to be found in any army or region it is as political workers only. Conscription applies to the poor only, not to the "better classes," not even to medical workers, who are so badly needed. (7) Japanese goods are found everywhere in the Lower Yangtze Valley, often masquerading under foreign or Chinese labels. Industrial co-operatives are to be found in North Hupeh only, though there is a growing consciousness of their need everywhere. Some officials fear industrial co-operatives because these place economic power in the hands of the people themselves. (8) There is a general improvement in the hospital equipment of the Army Medical Service of the Ministry of War and an inadequate though steady supply of drugs. But the technical knowledge and methods of the medical personnel have not improved.

THE MEDICAL SERVICES

The Army Medical Service has built up a good stretcher-bearer service from the front to the rear, with some three hundred men in each "company" and with medical workers attached to each. I have seen these stretcher-bearers, in the dead of winter, remove their jackets and cover the wounded they carry, for the wounded have no covering save their padded uniform.

There is a greater consciousness of the problem of the wounded among military commanders than ever before; in this respect the Army has advanced rapidly, as in many other directions. The Chinese Red Cross medical units continue to do heroic service in Army field and base hospitals, but their personnel remains insufficient. A few modern Christian doctors from Shanghai have volunteered and are to be found in Army hospitals; they operate as mobile units and are supported and supplied by the New Life Movement.

My own general attitude after this trip is this: vast respect for the soldiers and commanders at the front, but a most critical attitude towards much that I hear about the life of people in the rear, particularly war profiteers and politicians.

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JAPANESE NEED OF PEACE

COOPERATION OR FAILURE

THE THIRD LEAN YEAR

From Our Tokyo Correspondent

The distance between Japan and her goal in China has hardly diminished in the third year of war. The Army now seems to regard the struggle as a war of attrition. When the Japanese retired from Changsha last year, and again in February this year when they withdrew from Pinyang, official statements explained that its objective was the destruction of Chinese forces, not the retention of captured cities. As "Free China" has a population of some 200,000,000 and armies reported to number 3,000,000, attrition is likely to be a long process.

The Japanese Army leaders have never misled the public in this regard. They have consistently declared that the nation must remain on a war footing for an indefinitely long time. It is therefore pertinent to ask how three years on a war footing have affected Japan.

No survey can ignore the unexpected evidence of economic strength and resiliency the last three years have brought to light. Japan has waged war on a great scale with one hand, and with the other she has carried out huge plans of industrial development at home and in her new dependency, Manchukuo. All this has been done without foreign loans or domestic privation. The masses have not yet seen a ration card, and, when telegrams from Rome are reporting that Italians may in future have eight *demi-tasses* of coffee a month, the citizens of Tokyo can have all they want in the Ginza cafes for three half-pence a cup. Yet the signs of impoverishment are increasing. The war drags along like an illness; the symptoms are not of a nature to alarm the very self-confident patient, but they are becoming more frequent and more grave.

SCARCITY OF GOODS

The most serious symptom is increasing scarcity of goods in the midst of increasing abundance of money. Budgets have become astronomical. In the third year of the war the annual expenditure is larger than the national debt when the war began. The national income of Japan, according to the Ministry of Finance, is about 25,000,000,000 yen a year. The Budget takes 40 per cent., leaving 60 per cent. to feed, clothe, shelter, educate, and amuse 70,000,000 people and provide the new industrial capital they need. In proportion to her resources, Japan is spending more on the China war than the United States, a far richer country, spent at the height of the World War. The new order is proving an expensive investment, and many years of impoverishment must follow the present orgy of spending.

The Government have been able to raise the money needed for those great Budgets, but not to spend it. Loans sanctioned up to December 14 amounted to 10,800,000,000 yen, but 2,404,000,000 yen was not issued because the goods required could not be provided. The country's productive powers have been drained into munitions work and the heavy industries needed as the foundation of the new order in East Asia. The result is a decrease of the export trade and a scarcity of consumers' goods. In Japan, now the world's greatest producer of cotton textiles, there is a chronic scarcity of cotton cloth. In the greatest rice-producing country there is a scarcity of rice.

The rich cannot get petrol for their cars nor the poor kerosene for their oil stoves; factories cannot freely get coal for their furnaces nor the villagers charcoal for their braziers. The infantile mortality is shockingly high, and the milk supply far below the needs of a growing nation, yet milk is being made into butter and exported to bring in foreign currency. Copper coins are being withdrawn from circulation. There is a shortage of coal, iron, timber, cement, chemicals, chemical fertilizers, drugs, pulp, wool, leather.

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

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THE BLACK MARKET

The cost of food, clothing, light, and fuel has risen 35 per cent. since the war began. But the *Asahi*, which publishes the statistics, warns its readers that they are illusory. They are based on officially fixed prices, and *yamitorihiki*, "bargaining in darkness," is the rule rather than the exception. Many of the jokes which relieve the irksomeness of scarcity turn on the inconvenience of becoming a Cabinet Minister, debarred by his official conscience from buying his groceries in the "black market." One story tells how young officials of the Ministry of Commerce, "inspired with the spirit of the emergency period," ordered the Department's six motor-cars to be converted into charcoal burners. This was duly done, and it was found that the dealers had no charcoal to sell to a Government Department which only paid the official price.

In the Tokyo area alone the "economic police" last year discovered 200,000 violations of the price-control regulations. These were not all petty cases about a few bundles of charcoal. Manufacturers break the law to get copper, rubber, metals, and petrol. On February 16 all the rayon mills in the town of Fukui were disorganized by the arrest of managers and directors on charges of violating the price regulations on materials valued at 15,000,000 yen.

Wages are advancing in pursuit of prices, but have not overtaken them. But as overtime is universal, gross earnings are higher and the workers are prosperous. Strikes are a thing of the past. The Social Mass Party, which once hung Ramsay MacDonald's portrait in its place of honour, now apes National-Socialism. The Labour and Capital Harmonization Society, founded in 1919 to settle trade disputes by conciliation, has dissolved in order to promote a "Reward the Country through Industry" movement aimed at regimenting labour on Nazi-Fascist principles. With high prices for rice and silk the farmers are flourishing, and the *Oriental Economist* reports that farm debts, frozen since the great depression, are liquid "almost to the last yen." But during a recent visit to the industrial centres Ministers were told that the workers were "physically tired and spiritually uneasy" because they felt that their progress had been brought to a standstill by the regulations restricting their freedom of movement and stabilizing their wages.

Gradually and cautiously, and without apparent resistance, the regimentation of labour and industry is being carried out. Large numbers of youths have been medically examined and enrolled for labour service. Registers of technicians have been compiled. The "peace industries" are forbidden to employ young people until their employees have decreased by 30 per cent. below the number at work last year. Mining and the heavy industries may employ as many workers as they can obtain, but this freedom is qualified by other regulations prohibiting employers from competing for workers. Industries producing for export are, however, to receive facilities for obtaining coal, power, and labour, all of

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NAZIS TRY TO LEASE JAP ISLAND AS U-BOAT BASE

U-BOAT war may spread to the Far East, where the Allies now are in complete command.

Messages from Shanghai last night suggested:

- 1 That the Germans were negotiating with Japan for U-boat building bases on Hainan, strategic island off French Indo-China which Japanese troops seized a year ago;
- 2 That at least 80 U-boats were being transported from Europe by the Trans-Siberian railway, to be reassembled at Whale Bay, near Vladivostok.

Herr Ott, the German Ambassador in Tokio, was in charge of the negotiations over Hainan, it is reported. He was also reported to be urging closer co-operation between Russia and Japan whereby these two Powers, with Germany, would have a monopoly of Chinese trade.

The outcome of these moves is not known yet; three days ago Herr Ott, when he called at the Japanese Foreign Office, was told that Foreign Minister Arita was too busy to see him. He saw the Vice-Minister.

SOVIET SHIPS STOPPED

Meanwhile, in the Pacific a British warship has stopped the Soviet steamer Vladimir Mayakowsky, escorted her to Hong Kong, where she is detained pending a search of her cargo.

Over a month ago the Mayakowsky, with 5,000 tons of United States copper on board, left the small Mexican port of Manzanillo for Vladivostok. She called later at San Pedro and took on board 200 tons of molybdenum, a metal used in hardening steel.

When she left Mexico it was stated that the Mayakowsky was inaugurating a new Trans-Pacific service to Russia. It was also thought that much raw material carried by this route would find its way across the Trans-Siberian railway to Germany. Questions were asked in the House of Commons about leakages in the blockade, through Vladivostok.

MAISKY'S REQUEST

Another Russian merchant vessel, the Serenga, has been detained at Hong Kong for several weeks after being intercepted in the China Sea by a British warship.

She is alleged to have been carrying a cargo of tungsten and antimony for Germany.

M. Maisky, the Soviet Ambassador in London, called on Mr. Ronald Cross, the Minister for Economic Warfare, a few days ago to ask for the release of this vessel. The Admiralty has so far not acceded to this request.

MAURETANIA IN PACIFIC

The Mauretania sailed from Balboa after passing through the Panama Canal yesterday. Rome radio yesterday said that the Mauretania's course would pass the Galapagos Island, where a concentration of U-boats was reported to be waiting.

In the North Sea the Altmark, Hitler's slave-ship, slunk back to Kiel after a six-months cruise marked neither by honour nor success.

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More than three weeks ago the Navy drove the Altmark into Joessing Fjord and took off the 300 prisoners on board. Since then the Altmark lay in Norwegian waters until an opportunity came for her to slip out.

Escorted by Norwegian naval vessels she sailed down the Norwegian coast, then crossed to Swedish waters, down the Danish coast and home.

The crews of 10 Dutch fishing trawlers at Ymuiden refused to put to sea because of continued Nazi attacks on their Dutch ships.

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BRITAIN AND JAPAN

SIGNS OF MUTUAL GOOD WILL

SIR R. CRAIGIE'S CONFIDENCE

From Our Own Correspondent

TOKYO, MARCH 28

Sir Robert Craigie, the British Ambassador, and Lady Craigie will be leaving Japan in the middle of April for a short holiday in the United States, where their son is now at school. They expect to return about the middle of the summer. In making this announcement at the annual luncheon of the Japanese-British Society Sir Robert Craigie said that this visit to America on holiday was of purely private significance.

For the past two and a half years Sir Robert Craigie has had to deal with a continuous succession of difficult questions in an atmosphere heated by war and by anti-British propaganda. The Tientsin blockade and the subsequent conference in Tokyo involved strenuous negotiations throughout the heat of last summer, and though Hitler's pact with Stalin abruptly shattered the Tokyo-Berlin axis beyond repair, the European war has brought fresh difficulties, like the incident of the Asama Maru, which have required delicate handling. Sir Robert Craigie met them with coolness, patience, and an understanding of the Japanese point of view which gained him not only the Government's confidence but eventually the good will of a highly temperamental Press.

Tangible evidence of the better atmosphere was seen at to-day's luncheon, which Prince and Princess Chichibu (brother and sister-in-law of the Emperor), Mr. Arita, the Foreign Minister, and Mrs. Arita, Mr. Yoshida, a former Ambassador in London, and Mrs. Yoshida, and other eminent persons attended. Mr. Arita made a brief and friendly speech. Mr. Yoshida, proposing Sir Robert Craigie's health, declared that Anglo-Japanese friendship was necessary for lasting peace in the Far East.

"INTERESTED" PARTIES

Sir Robert Craigie said that while at times relations had been very difficult, the wisdom of both Governments had prevented momentary animosities from hardening into a deep-seated resentment or permanent estrangement.

There have been serious divergences of national policy and outlook (he said), but what has struck me most is the extent to which real differences have been overlaid by a mass of misunderstanding and misrepresentation, fostered by interested third parties. But the truth will out; already there is growing up in each country an appreciation of the extent to which the actions of the other have been vilified and misrepresented.

Thorny questions (he continued) still remained; but some difficult corners had been turned, and "bearing in mind the declared intentions of the Japanese Government and the measure of success already achieved, I have a definite feeling of confidence in the future of Anglo-Japanese relations." Observing that differences between nations are always "news" and that deep-seated similarities are forgotten, Sir Robert Craigie pointed out some of the basic factors which justified hope for the future.

Japan and Great Britain (he said) are two maritime Powers on the fringe of great continents and they are vitally concerned with the covenants in those continents. Methods may differ, but both are ultimately striving for the same objective—a lasting peace and the preservation of our institutions from extraneous and subversive influences. It is surely not beyond the power of constructive statesmanship to bring the aims of their national policies into full harmony.

Sir Robert Craigie finished his speech by saying that this goal might be nearer to-day than it had seemed in recent years.

Mr. Grew, the American Ambassador, and Mrs. Grew are also soon going on leave to the United States. While this absence is a routine holiday, the fact that both the British and American Ambassadors can leave Tokyo for three months indicates that, while Japan's great experiment is proceeding in China, they do not expect important developments here.

*To note in
treatment of
Craigie speech*

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U.S. POLICY & SILVER

The London silver market has braced itself against the shock of doubts concerning the policy of the United States with regard to the metal. After the fall of $\frac{1}{2}$ d on Tuesday, the price recovered $\frac{1}{2}$ d yesterday to 20 $\frac{1}{2}$ d per ounce. The latest movement indicates recognition of the fact that there are elements in the situation which may cause the American Government to move circumspectly in the matter. The Secretary of the Treasury has made it clear that the Administration has no wish to be forced into a sudden abandonment of its purchases from abroad. The Banking and Currency Committee of the Senate acted in disregard of his advice when it sent forward, with its recommendation, the Townsend Bill which would repeal the mandatory provisions of the Silver Purchase Act of 1934, so far as foreign supplies are concerned. But there is a mass of authoritative banking and business approval behind the proposal to stop the buying, and there is a strong body of opinion that Congress will give heed to this view and adopt the Bill.

At the same time the fact that this is election year, for the Presidency as well as for many seats in Congress, makes the fate of the measure a political gamble. Silver has long been a favourite counter with United States politicians, partly, of course, because a substantial amount of it is produced at home. After the slump of 1931 the protagonists of silver revaluation had their way. THE FINANCIAL TIMES was among many critics of a plan, calling for the maintenance of one-fourth of the United States monetary reserves in the form of silver, which has failed dismally to attain its objectives. Certainly it has assured producers of a market (overshadowing that in India) at a price, but it has enormously enhanced their dependence upon that one market. It may be that in that dependence will be found their greatest strength, as well as their weakness. It needs little imagination to picture the result if the United States were suddenly to begin liquidating its vast accumulations. The very fact that these now are treble what they were in 1934, and that the additions have cost the country more than £250 millions, will be inducements to avoid any action which would break the market and result in calamitous losses.

There are a number of reasons, therefore, why the impetuosity of Congress may be restrained. The Administration will wish to steer clear both of the monetary loss and of the loss of prestige which would follow reversal of a policy to which so much importance was at one time attached. It will be mindful of the effect of cessation of purchases upon its business relations with Canada and still more with Mexico, remembering that no agreement has been reached with the latter country regarding the expropriated oil and other properties. While the ability to purchase silver remains, it is a useful bargaining weapon. At home, the old-time silver bloc may be expected to put up a vigorous fight on behalf of their favourite metal and particularly of the home miner. Producers elsewhere can only await the outcome of these legislative activities for new light upon the outlook, which the war has shrouded in further obscurity with the imposition of licensing systems here and in India.

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SET-BACKS FOR JAPAN

Soviet Now Free to Consider Far East

LOSS OF FISHERIES

FROM OUR OWN CORRESPONDENT

TOKYO, Saturday.

During this week Japan has suffered several uncomfortable jolts. In the first place, the conclusion of peace between Russia and Finland is viewed with apprehension here, lest the Soviet should now turn its attention towards strengthening its position in the Far East.

Then the loss of three out of seven fisheries held by Japan in Siberian waters is not taken lightly, since fisheries are a vital part of the Japanese economic system.

Another cause of uneasiness is the possibility of a Franco-British blockade of Vladivostok so as to hold up goods destined for Germany. A naval spokesman told me frankly that the searching of neutral vessels in the vicinity of Japanese territorial waters, even though strictly legal, would cause dangerous political and sentimental repercussions in Japan.

DROP IN STERLING

The continuing drop in sterling, with apparently little hope of recovery, is disturbing the business world, which fears a severe curtailment of export trade as a consequence. The lowered value of the pound will greatly aid British trade in both the sterling and United States dollar blocs of nations, at the expense of Japan.

Businessmen are likewise worrying over the United States trade drive in Central and South America. It is probable that a conference of Japanese and Pan-American diplomats will be proposed shortly to seek a means of combating the United States programme.

But, more than by any of these setbacks, Tokyo is disturbed by the unsatisfactory reception abroad of the proposed Wang Ching-Wei Government in China. Japan will, in the near future, appoint a special Envoy, with wide powers, to negotiate an agreement with Wang Ching-Wei.

The Envoy will be answerable to the Prime Minister and the Foreign Minister, but will probably take his orders from the Chinese Affairs Board of the War Office and the Finance Ministry.

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BRITAIN AND CHINA

"FIGHTING FOR SAME IDEALS OF LIBERTY"

Mr. QUO TAI CHI, the Chinese Ambassador, spoke on Anglo-Chinese relations at the annual meeting of the China Campaign Committee, held in London on Saturday.

He said that Japan's proposed "New Order in East Asia" was a complete repudiation of the principles of the Nine Power Treaty. It would mean the enslavement of the Chinese people and the harnessing of China's vast manpower and natural resources as an involuntary instrument with which to effect Japanese domination of the Pacific. Reversion to the idea of an Anglo-Japanese alliance, if it were conceivable for Britain, could not fail to arouse suspicion and resentment in the United States as well as in the Dominions and in Asia. In days to come Britain would find China's friendship an even more highly valuable asset than now, and there was always real danger that that friendship might be seriously jeopardized by too great an anxiety of Britain to appease Japan.

In violating China's integrity Japan had proceeded to the closing of China's doors to foreign trade, and unless speedy action was taken the Open Door in China would soon become an empty phrase. While British gestures of friendship were appreciated by the Chinese people, they had to recognize that the League resolutions enjoining the members to assist China to resist aggression were far from being fulfilled. China was fighting for the same ideals of political liberty as had inspired the British to take up arms in the European conflict. It was therefore of supreme importance to Britain not to lose sight of the bearing of China's struggle in the present attempt on the part of the democracies to re-establish law and order in a new world. Could anything be of greater promise to British and world welfare than a strong Chinese democracy as exemplar to a strong Indian democracy? In the immediate strategic situation of a world at war the development of China's south-west into a self-sustaining centre of China's independent life and administration was a military consideration of prime importance to Great Britain.

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NUMBER: 5

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TOKYO'S "LAST THROW"

CHUNGKING DERIDES THE WANG REGIME

FROM OUR SPECIAL CORRESPONDENT

CHUNGKING, MARCH 17

The statement by Admiral Yonai, the Japanese Prime Minister, on March 13 about Japanese intentions in China, particularly in regard to foreign rights, has been ignored here on the ground that it contained nothing new. The view taken is that this was the Japanese Government's last throw to attempt to convince the people of Japan that a settlement of the Sino-Japanese war was to be expected once Mr. Wang Ching-wei's Government has been set up in Nanking. The Chinese of all classes here are certain, however, that Mr. Wang Ching-wei cannot succeed, and they point out that he has failed to attract a single leader of any influence. The mass of the people are hostile. Even the Japanese army authorities in China are not agreed on according him their support.

Besides dismissing latent dangers in Mr. Wang Ching-wei's movement, the Chinese here reject Admiral Yonai's assurances that Japan will respect the territorial integrity of China. What is the meaning of territorial integrity, they ask, if Japan intends to leave garrisons in Inner Mongolia, North China, and the more important cities in other parts of the country? They accord the same reception to Tokyo's references to "economic cooperation" on the ground that such cooperation is only another name for economic vassalage.

INSTALLATION OF NEW REGIME

FROM OUR OWN CORRESPONDENT

TOKYO, MARCH 17

General Nobuyuki Abe, the former Prime Minister, has been chosen to represent Japan as special envoy and Ambassador at the inauguration of the new Central Government in China. He will leave as soon as Mr. Wang Ching-wei's ceremonial arrangements have been completed and is taking a brilliant suite, headed by Mr. Kato, formerly Minister in Ottawa, one of the cleverest of the younger Japanese diplomatists.

General Abe's presence, with that of representatives of the Japanese Army, Navy, and Parliament and of Japanese finance and commerce, will inform China and the world that Japan's power stands behind the new régime. Mr. Kato will direct the diplomatic machinery, but the Japanese Army will be the actual authority for administering Japanese policy in China.

The recognition of the new régime will, in the Japanese Government's view, be the most momentous step yet taken in China. It will signify that Mr. Wang Ching-wei's Administration is the only authority Japan recognizes. Foreign Powers may continue to recognize Chungking diplomatically, but all their points of contact with China and all their commercial interests are in the regions where Mr. Wang Ching-wei exercises sovereignty with Japanese support, and it is believed that they will find it impossible to avoid transacting business with the new régime.

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

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DATE: MAR 18 1940

/ Opinion Moving in Japan

Opinion has been frozen in Japan for over two and a half years. Everything has given way before the one great aim of winning the war in China, of setting up the "new order" in the East. Now again there are signs that opinion is moving. The current is not strong in this direction or in that, but at last those who hold strong opinions are no longer content to hold them silently. The other day it was an economic journal in Tokio which said that this year would see a reversal in Japanese policy. Now it is an organ of the Japanese Army itself which has broken out and been, in consequence, suppressed. A few weeks ago, when General Abe's Ministry fell, the Army thought that General Hata, the War Minister, would succeed him. But the Emperor appointed Admiral Yonai and ordered Hata to support him. Thereupon the "Kokumin Shimbun," which is regarded as representing the Army, wrote:

The Imperial Command given Admiral Yonai . . . was highly shocking to many quarters. . . . Ever since Admiral Yonai, as Navy Minister in the Hiranuma Cabinet, quashed a Japan-German-Italian alliance by opposing it, the statesmen close to the Throne have been looking to him as a future candidate for the Premiership. . . . To bring such a man, incapable of showing a strong character, a man unable even to strengthen the form of national unity that exists to-day, and to recommend him to the Throne as a candidate for the Premiership is bitterly and increasingly criticised as a conspiracy on the part of the statesmen near the Throne.

The "statesmen near the Throne" are the little group of confidential advisers of the Emperor whose chief is the surviving Elder Statesman, Prince Salongi. The attack is daring. Mr. Saito's recent outburst in the Diet reflected popular discontents. The "Kokumin Shimbun" reflects the ill-will of at least part of the Army towards anyone, even the Emperor's advisers, if they look like standing in its way. All parties alike now wait to see what success or failure will attend Japan's attempt to win the war by setting up Mr. Wang Ching-wei as China's ruler in Nanking.

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MAR 19 1940

JAPANESE TRADE PACT WITH ARGENTINA

FROM OUR OWN CORRESPONDENT

TOKYO, MARCH 18

The Foreign Office have announced an agreement by which Japan will purchase from the Argentine wool, beef, casein, and wheat to the value of £30,000,000 a year. Argentine will grant exchange facilities on most-favoured-nation terms for the purchase of an equal amount of Japanese goods.

The agreement is the first step in a vigorous effort Japan is making to recover trade lost during the war in China. A trade mission is about to leave for Italy, and similar missions from Mexico and Spain will arrive in Japan shortly. The recovery of export trade is the primary purpose of the present policy, but it also aims at reducing Japanese dependence on the United States.

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JAPAN TO KEEP OUT OF EUROPEAN AFFAIRS

MR. ARITA'S STATEMENT

FROM OUR OWN CORRESPONDENT

TOKYO, MARCH 22

Answering questions in the House of Representatives to-day, Mr. Arita, the Foreign Minister, said that the Japanese Government would not become involved in European affairs. The Anti-Comintern Pact continued to exist, and member States were expected to take measures against the Comintern's destructive operations. He agreed that Japan desired friendly relations with Germany and Italy, but also with other countries.

Mr. Arita said that the opening of the Yangtze was a matter for the military authorities in China. General Hata, the War Minister, repeated this and said that the military authorities would reconsider the matter if military reasons made the opening undesirable. The opening of the river was not dependent on any promise made to foreign countries.

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GUERRILLA IN CHINA

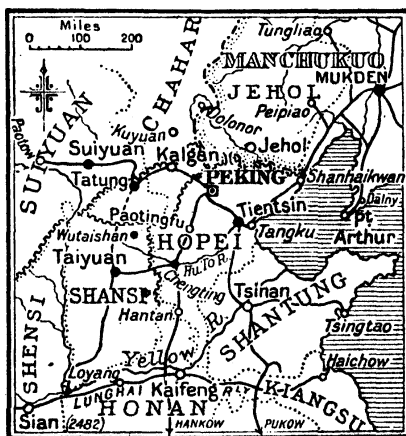
RIVAL TACTICS

From a Special Correspondent

PEKING

A year ago it was hard to judge of the final effectiveness of guerrilla warfare in North China. The Chinese organization had developed with comparatively little opposition, as the Japanese were occupied with the Shantung and later with the Hankow campaigns, and kept only six divisions in North China. The period of the greatest Chinese expansion was in August, 1938, when the East Hopei expedition had penetrated most of the district and was attacking the Tientsin-Mukden railway, and when elsewhere Japanese control hardly extended more than a few miles from the railways.

It was perhaps the initial success of the East Hopei expedition which forced the Japanese to realize the seriousness of the problem they faced in North China. By



July, 1939, there were more than 16 Japanese divisions, 300,000 to 400,000 men, on and north of the Lunghai railway. Their first main attack was against East Hopei, and was largely successful. The attackers were unable, however, to keep their communications open, and were forced to retire; and the only permanent result of the campaign, in which the Japanese lost 7,000 men, was the occupation of a few advanced points with good communication from the railways.

Another strong Japanese push completed the occupation of the cities on the Hopei plain, though the Chinese army remained intact, and severe fighting went on until June, when the Japanese pressure was somewhat relaxed. West of the P'inghan railway a series of offensives aimed at splitting up the area under Chinese control or occupying strategically important points, but the Japanese have not held positions in the mountains for more than a few weeks. During the first six months of last year three attempts failed to occupy the area immediately west of Peking.

CENTRAL TROOPS ENGAGED

The heaviest fighting in North China had been in South and West Shansi, where the Japanese tried to drive through to the Yellow River, and in July used seven divisions in an attempt to occupy the plateau of South-East Shansi and secure the north bank of the Yellow River, but were soon driven back. At the end of September they still held a line across South-East Shansi and some important cities, but had failed to cut off the Chinese forces in Shansi and secure their own rear for a possible attack across the Yellow River. South Shansi is not really a guerrilla area though there are guerrilla forces operating. The heaviest fighting was done by the troops of the central armies.

The Japanese strategy in their offensives is almost always to make a converging attack from several directions. Japanese reports nearly always claim that large numbers of Chinese troops have been surrounded. In fact, in districts where the people are properly organized, the superior Chinese intelligence service and the ease with which they can get the guides necessary for any rapid movement enable the Chinese to avoid encirclement. Japanese forces, certain that the Chinese were between them, have sometimes met in the night and started to fight one another. Gas shells are used against any strongly held Chinese positions, and in South Shansi gas was widely used in defence.

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Japanese tactics are said to have improved since 1938, when they were often careless. To some extent special anti-guerrilla tactics have been evolved. Troops moving in guerrilla areas carry wireless telephone sets with which they can quickly call up reinforcements. Attempts are made to deliver surprise attacks either by quick movement with mechanized units or by wearing Chinese civilian dress. Many Manchurians and locally recruited Chinese troops are employed, but never in serious fighting without a stiffening of Japanese troops. Though the families of these men are held responsible for their conduct, large numbers have deserted.

AMBUSHES

The Chinese strategy is not to put up strong direct resistance, but to go round to the rear of an advancing column, cut its communications, and attack when it begins to retreat. This method is adopted by the central armies as well as by the guerrillas. The guerrillas, however, will only attack in favourable circumstances, and, owing to their lack of ammunition, prefer short-range fighting in which they can use their locally made hand-grenades. Their favourite tactics are ambushes and night attacks on small Japanese posts. Sometimes forces of several hundred Japanese have been almost completely destroyed. The guerrillas often wear plain clothes. In Central Hopei 300 Chinese troops changed into plain clothes and distributed themselves among the houses in a village where an advancing Japanese force was expected to stop for the night. When the enemy had dispersed to their billets they were attacked and about 100 of a total 200 were killed. The remainder took refuge in a church and wireless for help, but lost 25 more to hand-grenades thrown through the windows before reinforcements arrived and compelled the Chinese to retire.

The Chinese leaders say that the second stage of the war has now begun, the stage in which the main Chinese forces can fight successful defensive actions and retain control of territory. The South Shansi fighting, together with the earlier Japanese defeat in North Hupeh and the severe defeat at Changsha in October, would seem to show that this view is correct. In the guerrilla areas the Japanese have greatly increased the number of points they occupy. On the other hand, it is only in East Hopei and Shantung that they have obtained any real control over the country.

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A JAPANESE EXPERIMENT

Even the gravity of the situation in Europe cannot distract attention altogether from the important events which are taking place in the Far East. March 30, next Saturday, is the date chosen for the establishment of the new Chinese régime, to be styled the National Government of China, under the rule of Mr. WANG CHING-WEI and the control of Japan. A conference of delegates from the occupied provinces of China and Inner Mongolia with Mr. WANG himself and the heads of the "reformed" or client administrations of Peking and Nanking met last week at the latter city to organize the new Government. They were naturally well guarded, for it is clear that the Japanese Government and Army are entirely committed to this experiment. Just before the meeting ADMIRAL YONAI, the Japanese Prime Minister, issued a long statement in which he pledged his country's full support to the new Government. The régime which was to be established, he said, would make peace with Japan, and the Admiral drew a hopeful picture of a future in which Japan and China would "respect one another's" national and racial endowments, cultivate "friendly relations of mutual good will and fellowship," would stand on guard against the Communist danger, and would minister to each other's needs by the creation of a reciprocal economic system. He promised that Japan would respect Chinese independence, and added that his Government would fulfil their promise "as soon as the present disturbances subside." He also more than hinted that, if the National Government of China now established at Chungking should disregard the Japanese invitation to make peace, then they would find that Japan's capacity to continue the war was unimpaired and that hostilities would be pressed until Chinese eyes were opened.

The experiment which the Japanese Government are making with the object—to use their official phraseology—of "terminating the China incident" follows long and intricate negotiations between their representatives and Mr. WANG CHING-WEI. In December, 1938, the latter, then a member of the Chinese National Government, fled from Chungking. He accepted the defeat of China as inevitable; he also accepted the bases of a Sino-Japanese agreement which were first propounded by PRINCE KONOE in December, 1938. The Japanese, who had unsuccessfully attempted to win over the late MARSHAL WU PEI-FU to their cause, turned to Mr. WANG. He conducted the ensuing *pour-parlers* with the Japanese Army and Government and at the same time with the leaders of the puppet administrations which the invaders had set up in those parts of China which they had occupied. He encountered many difficulties. On the one hand the Japanese authorities were loth to give him the measure of formal independence which he desired in order to save the face of the administration which he hoped to inaugurate; on the other hand he found great difficulty in persuading the members of the puppet Governments already in existence to agree to subordinate their administrations to a new Central Government, which might perhaps curtail the advantages which they have extracted from the public misfortune. Among his many difficulties, the chief of which was and is the reluctance of many Chinese to regard him as anything but a deserter, he had to reckon with the usual divisions of opinion between the Japanese Army and the Japanese Government. The "North China Provisional Government" set up by the Japanese at Peking were nominally led by Mr. WANG KEH-MIN, an advocate of a semi-independent status for the Northern occupied Provinces. But their chief prop and adviser was the Japanese Director of the North China Forces Board, LIEUTENANT-GENERAL KITTA, who was generally believed to support the demand voiced by Mr. WANG KEH-MIN that the link between Peking and Nanking should be as tenuous as possible. The General's transfer to a military command at home will probably moderate the demands of Peking. At the same time it is doubtful whether the Japanese have agreed to give Mr. WANG CHING-WEI those full powers in the Northern Provinces for which he has fought so pertinaciously.

The chief importance, however, of the appearance of the new administration lies in the fact that by setting it up, and by promising to recog-

rights and interests would be respected and protected by the Government which he proposed to form, and that foreign capital would be invited to China. ADMIRAL YONAI made no reference whatever to this statement; and our Tokyo Correspondent observed that the omission could hardly have been accidental. It may well imply that foreign Governments having interests or desiring commercial opportunities for their nationals must apply to the Government of Mr. WANG CHING-WEI, and this interpretation seems to be confirmed by the forecasts made by well-informed Japanese. Foreign interests, he pointed out, were concentrated in the part of China controlled by the new Government; foreigners would have to deal with it and would not be able to ignore its existence. He also added that in a year or two the new Government would have its own army. It may be so. But all the information yet available from China gives the impression that such an army will be an unreliable instrument unless it is stiffened by as many, or almost as many, Japanese troops as are now engaged in China, which is certainly not the Japanese Government's wish. The Chinese have shown a remarkable capacity for solving their difficulties by the method of compromise; but the Japanese experiment of setting up a new Nanking Government as a middle term between Tokyo and Chungking must be regarded in this country for the moment with more interest than confidence.

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The chief importance, however, of the appearance of the new administration lies in the fact that by setting it up, and by promising to recognize it as soon as possible, the Japanese Government have made an offer of peace to the Chinese people. It is, in the words used by our Tokyo Correspondent recently, "a carefully planned 'peace move' which the Japanese Government believe will completely change the situation. The grounds of their optimism are not yet clear. The Chungking Government have no intention of surrendering. They have sustained one serious reverse, it is true, in the loss of Nanning; but the attempts of the Japanese to push beyond that important strategical point have failed. They believe that they have enough munitions to carry on the struggle for a long time, and their opponents are not in a position to extend their long lines of communication any farther into the interior. Meanwhile the guerrillas, suppressed in one occupied area, soon reappear there or elsewhere to harass the invader. Their suppression is never complete, and there can be no doubt that they still have abundant popular support. Even more significant is the fact that the National Government of China are still able to levy and to receive taxes from great parts of the provinces which are nominally in Japanese hands. All these circumstances must inspire doubts as to the success of the experiment.

From the point of view of the foreign nations which have important commercial interests in China, and are unable to exercise any direct influence in favour of a just peace in the Far East, the omissions of ADMIRAL YONAI's statement are more significant than its contents. MR. WANG CHING-WEI recently issued a manifesto at Shanghai in which he stated that foreign

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JAPANESE PRISONERS HELP CHINA

Set Free to Spread Disaffection Among Their Comrades

China and Japan have not exchanged prisoners of war in two and a half years of fighting and have no intention of doing so. They are more useful in other ways.

The Chinese have made every attempt to educate the Japanese prisoners to hate the Japanese Army and to blame it for taking them away from their jobs and families in peaceful Japan.

Some prisoners who appear to have learned this lesson well are said to have been released to return to the Japanese lines to spread anti-war propaganda among the Japanese troops. The ex-Communist 8th Route Army has established a special school for this type of work and claims many conversions.

The Chinese have also utilised Japanese prisoners both to encourage Chinese patriotism and to undermine public moral in Japan. These prisoners frequently broadcast speeches in the Japanese language on Chinese short-wave wireless programmes directed towards Japan. They usually urge the Japanese people to revolt against their Army and restore peace in the Far East. A group of Japanese prisoners visit scores of villages behind the Chinese lines acting in patriotic plays intended to arouse the patriotism of the Chinese masses. The majority of these plays emphasise Japanese intrigue and espionage technique and always end with the Chinese eventually triumphant over their enemy.

Chinese military quarters claim that 96,000 Japanese prisoners have been taken. Japanese Army spokesmen say that their forces have taken nearly 500,000 Chinese prisoners. Neutral military observers believe these figures are exaggerated.

JAPAN'S PRISONERS

The Japanese authorities, in contradicting the Chinese claim, say that their soldiers when on the point of capture commit suicide.

The majority of Chinese prisoners are organised into labour gangs which accompany the Japanese in advances along highways destroyed by the Chinese armies. Escape is compara-

tively easy for the Chinese, and they frequently take back to their lines important Japanese military information. Entire armies of prisoners have also been induced to desert the Japanese, and in some instances have brought with them their new Japanese military equipment.

Consequently the Chinese Government has not seemed greatly concerned over the fate of its troops who have fallen into Japanese hands. It is believed that most of these prisoners, after being placed in the armies of the Japanese-controlled regimes, will come back fully equipped for guerrilla operations against the Japanese.

JAPANESE ARMY DIFFICULTIES

The intervals between major Japanese offensives are becoming longer. One reason for this is that the Japanese are busy preparing to set up Mr. Wang Ching-wei's "Government" at Nanking. Two other reasons are—

1. Japan's human and economic resources in China are badly depleted and her military power is scattered. Japanese generals urgently call for more men and fresh materials, but the homeland is no longer able to supply them. Hence the Japanese cannot force a military decision.

The only new troops going to China are those to fill gaps in Japanese divisions, and they are mostly untrained recruits between 18 and 20 years of age. Many Japanese troops have been in the front lines two and a half years and increasing sickness is reported among them.

Lack of petrol and bombs has forced curtailment of Air Force activity except in the south.

2. China lacks the strength to drive the Japanese from any cities and districts which the Japanese desire to hold. This is realised by General Chiang Kai-shek, who is known to believe the time has not yet arrived for a concentrated effort to take territory.

On the other hand, the Chinese are strong enough to force the Japanese to stay within fortified cities and towns along railways.—British United Press and Associated Press.

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AN OFFENSIVE TO EXHAUST JAPAN

Chinese Successes in Surprise Night Attacks on a Heavily Armed Enemy

By Agnes Smedley

ON THE NORTH HUPEH FRONT,
CENTRAL CHINA, DECEMBER 30,
1939.

The general offensive of the Chinese armies against the Japanese invaders began less than a month ago, and has developed differently in various parts of the country. In this war zone, commanded by the famous Kwangsi general Li Chung-jen, some divisions went into action only ten days ago. I had the rare opportunity to go to the battlefield with the divisional staff when two divisions opened an offensive in this region on December 20. This was a region north of Shuihsien, a strong walled town which is one of

chiefly as guides and auxiliaries. On the same night the offensive opened here these Big Swords led Chinese troops up by a back way to a Japanese fortified mountain point known as Rheykuoten. They carried big shears and cut the one line of barbed wire at the back; the Japanese have three lines of barbed wire entanglements in the front and sides of their defence positions but only one in the back. With but little fighting the Chinese took the Japanese position by surprise, and the next morning I watched the trophies of war being brought to the rear.

These included one 9.5cm. field gun, drawn by oxen; there were also flags, all kinds of food, while the wounded were coming in covered with Japanese blankets or overcoats. Like the Spartans of old they were returning on their shields. The Japanese had counter-attacked during the night and fighting throughout the region has continued ever since. The fighting is exceedingly mobile on the Chinese side, small groups moving about everywhere. The Japanese stick to their old methods of positional warfare and have brought in heavy reinforcements, with tanks and cavalry. Yesterday heavy bombers began to appear over the region for the first time since the offensive began. Japanese bombers seem to be occupied on other fronts and there are perhaps not enough of them left to cover all fronts.

Before this offensive began the Japanese had 50,000 troops in Hupeh Province and about 100,000 in the Fifth War Zone. These include 2,000 cavalrymen in Hupeh and a few Mongols and other puppets. In Hupeh also they have 234 field guns of various calibre, and each Japanese division has 24 tanks. Up to this time their planes have confined themselves mainly to reconnoitring over Chinese positions and the lines of communication in the rear. They have done some bombing of Chinese positions, but the nation-wide offensive keeps their bombers busy on other fronts.

MUSTARD GAS

The offensive against Sinyang, the main Japanese point on the Pinghan railway in this region, began about the same time as this one here north of Shuihsien. Fighting for Sinyang is most fierce, and the Japanese are using large quantities of mustard gas. Chinese troops are poorly equipped with gas masks.

As far as numbers go the Chinese outnumber the Japanese, but their

equipment is much inferior. They have a few new field guns, but no tanks and no aeroplanes on this front. It is late December, and many troops have not yet got their winter uniforms. Their medical supplies are childishly inadequate and their medical personnel primitively trained. In spite of these disadvantages the troops and officers began the offensive in high spirits and with great confidence. Their moral is much higher than the Japanese, and many of the new Japanese reinforcements are boys around the age of 16 who have had but three or four months of training. This was true also as early as April and May in this region, when there was widespread fighting here.

CHINESE CONFIDENCE

The significance of this offensive is best expressed in the words of General Li Chung-jen in a recent interview with me. "The Japanese are reduced to a negative position while China has assumed a positive position," he said. He would not say that the war has reached a stalemate and that China henceforth is on the offensive. From information gained here it is clear that this is an offensive to exhaust Japanese strength. It will be and has already been successful on some sectors, but not on others, and in some it may be a deadlock. In any case the Chinese are in high spirits about it, and it is a turning-point in the war.

The commanders I have talked to are not the boasting kind, but men of long fighting experience. They speak frankly of their own strong and weak points, and of Japanese strong and weak points. They think they can make great advancement in this offensive. They know that they have higher moral than the Japanese, if inferior equipment; and they know that time is with them. They know that the anti-war spirit among the Japanese troops is widespread, that many of the new Japanese troops are badly trained young boys. They say that Japanese marksmanship is not good now; that formerly a Japanese machine-gunner would fire only four or five shots and hit the mark; now they fire twenty-five or so and often miss. But they admit that Japanese tactics are very active, and at a moment's notice they can make new arrangements to meet a new and unanticipated situation. Attacked from many directions they often rapidly send heavy reinforcements to take back a lost position, then disperse the reinforcements or transfer them to a new point.



Japan's chief points in Hupeh Province. Their other main points in this region are Sinyang, in Southern Honan, and Yingshan, between Shuihsien and Sinyang. Yingshan is their headquarters for this region.

In the late afternoon of December 20 we went to the battlefield to watch the new Chinese artillery begin the shelling of two Japanese fortified points north of Shuihsien. The chief point of attack was Quenshan, the highest mountain in the region, and we could watch the effect of the shelling through field-glasses. An hour later the infantry attacked Quenshan and a number of other Japanese points.

To avoid Japanese aeroplanes the Chinese forces fight at night, and to prevent their artillery from creating too much damage they fight by mobile warfare almost entirely now. A local organisation known as the Hwang Hsueh Hwei (a Big Sword Society) is fighting side by side with the Chinese armies, but they act

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Will Japan Gain from the War?

In the last war Japan gained a firm foothold as an exporting country and in the absence of the keen competition of the West made her first large economic conquests. Will the pre-occupation of Europe with the war give Japan further advantages? Japan is not so confident. She also has a war, a very troublesome one which has been draining her steadily for two years. She now finds herself unable to seize her opportunities fully. For months she has been rigorously contracting her general imports so as to allow her to concentrate on war supplies. Thus last year she imported 46 per cent less cotton (in value) than she did in 1936, 64 per cent less wool, 16 per cent less wood pulp, 89 per cent less wheat. And everything points to her restriction of imports becoming even sharper. At the same time she is faced with growing shortage of labour for her export industries; it is absorbed by the Army and by the munition industries. There is also a shortage of electric power (through deficient rainfall) and a shortage of fuel. Japan's colonial adventures are going badly; the European war has severely hit Manchukuo, and Japan has to offset her satellite's losses in exports to Europe.

These are heavy handicaps but they do not, unfortunately, mean that Japan will not be an extremely formidable opponent to the effort of Britain and France to increase their exports. The same disadvantages of rising costs of production, labour shortage, curtailed imports of raw materials are present in all three countries. Last year Japan's cotton piece-goods exports to the yen area contracted but to the world outside the yen area they reached a volume only exceeded in 1935; this year Japanese estimates speak confidently of a still higher total—if the adverse influences at home can be overcome. The pressure to export is, of course, as strong in Japan as it is here. It is already being felt in Latin America and the recent exchange of Notes between the Argentine Republic and Japan is not exactly encouraging. In return for an undertaking to buy specified quantities of wool, beef, and casein, Japan receives a larger market for her textiles, chemicals, and metal goods, which as the "Prensa" points out, means sharper competition with British goods. The only way of countering this is by an equally vigorous trade policy and by keen attention to price. It is a useful reminder that our export drive has a good many obstacles to meet.

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THE NANKING CONFERENCE

PEKING LEADER ON THE NEW REGIME

FROM OUR CORRESPONDENT

PEKING, MARCH 27

Mr. Wang Keh-min, head of the Peking Provisional Government, has returned from Nanking, where he attended the meeting held to arrange the formation of a new Central Government of China under the Japanese *protégé*, Mr. Wang Ching-wei.

He received foreign correspondents and seemed in unusually good spirits, as if highly satisfied with his trip to the south, but for a person who has agreed to cancel the independent status of his own Provisional Government he had strangely little to say about future arrangements. According to his statement only the date, place, and organization of the New Government were discussed at Nanking.

Replying to questions, he said that it was unlikely that there would be changes in the personnel of the Northern Administration, that foreign affairs would be handled by the Central Government, and that nothing had been settled regarding the status of the new Chinese armies in North China.

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JAPANESE SOLDIER AND CHINESE CIVILIAN

The Spirit of an Invaded Country

By Agnes Smedley

NORTH HUPEH FRONT, CENTRAL
CHINA, DECEMBER 30.

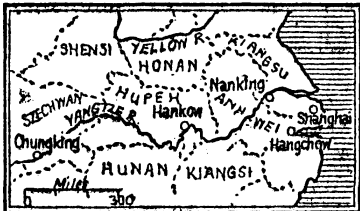
Some Japanese units are trying to adopt a conciliatory policy towards the Chinese civilians, thus trying to win them over. But on the whole their methods depend on deception, and even if a few higher officers give orders against raping and looting, the soldiers do not carry out the orders. Their policy is also filled with contradictions. For instance, in the present fighting here they have burned every town and village around their fortified points. This does not endear them to the Chinese civilians. Also, they have conscripted a number of civilians as puppets, but, as the Chinese say, these puppets are but "dust of the Japanese." The Japanese remain behind their fortified points and the Chinese puppets are put on the outer defences to stand the first Chinese attack. Many have been captured. In Shuihsien itself, according to these captives, no Chinese may live; only Japanese may live there, and all Chinese must live outside the walls.

ARMIES AND PEOPLE

There is a much better relationship between the Chinese armies and people than ever before, and in this region the civilians continue to work their farms and do other work right up to the battlefield, until told by the Chinese armies to evacuate. Unless a Chinese retreat begins they do not evacuate, and the Chinese armies evacuate the civilians before they themselves retreat. This prevents the heavy loss of life such as characterised China in the first period of the war. The most active civilian group helping the Chinese armies is a Big Sword society, the Hsang Hsueh Hwei. I was guest of this society in one of their villages and talked with men who fought on the night of the 20th at Rheykuoten. Many of them wore captured Japanese overcoats. They were all poor peasants, many of them refugees from Japanese-occupied regions. Two shots from a rifle brought large numbers of men and women members, all armed with big swords, to the village where we were. Most men and many of the women have already fought the Japanese. The women are very strong, and they are all well trained in the use of their big swords. In their village we saw a Japanese steel helmet, the air holes soldered up, being used as a cooking pot.

This war in China is filled with

brute suffering and anxiety, but to an onlooker like myself, who does not have to share this deadly misery to any extent, there are personalities and incidents which enliven the scene. The commander who opened the offensive on this front, for instance, on the afternoon of the 20th is a Christian who carries a big black book of hymns with him. He is fat, hearty, and cheerful and has a voice that belongs to the battlefield. One evening, while machine-guns pounded not far away, we had supper together, and afterwards he took his hymn-book and sang. When modulated in singing his voice is a rich, deep bass. "Al-luh-ya!" he sang, and the thatch roof on our poor peasant hut nearly trembled. He is a broad-minded Christian also, and will worship in any kind of church. Once while passing a French Catholic church he turned to enter. Someone reminded him that he was a Protestant, but with a scornful wave of his hand at their narrow-mindedness he said with a voice of finality, "It's all the same!" And in he went.



Another incident is of a Chinese plain-clothes spy who had the good luck to be captured by a Japanese staff officer and forced to carry his things and act as a servant. Before he escaped he reached and took the only document in sight, but did not know what it was. That document had given the Chinese the most exact information they have of Japanese plans, positions, and forces in North Hupeh.

I make a practice of talking with the Chinese wounded in first-aid stations or field hospitals, provided they are not seriously wounded. One machine-gunner, wounded through the heel and on the scalp, told of his fighting, and then said, "It is but a small thing, this fight, for we fight for the nation. It is very small—," and fell into a coma.

The Chinese soldiers fill me with an eternal feeling of love and protection. They are mostly young peasant lads from small villages and are around the age of twenty; they are utterly inexperienced in life. They believe everything told them, and they are as helpless as babies when sick or wounded. Few are

literate, but almost all are intelligent and patriotic. They know little or nothing of the world, but they are truly the pure of heart. I know of one lad who went into battle and returned heavily wounded. Before he went to the front the political director in the regiment said jokingly, "Now don't forget to bring me back some trophy from the Japanese." The next day the political director halted before a dressing station where many wounded lay. One motioned to him to come over, and when he went the boy said, "I'm sorry I couldn't bring you back any trophy."

LACK OF MEDICAL AID

As for myself, it is more than difficult to remain calm and objective when I see these boys brought back from the battlefield on stretchers. I think of the invaders who are killing and maiming them, and I think of war profiteers and political profiteers in the rear who do not sufficiently equip, clothe, feed, or provide them with adequate medical supplies. My thoughts cannot bear printing. There are first-aid stations every ten li from the front, for a period of 30 or 40 li, but these stations have dressings for two weeks only, yet around 200 wounded a day are passing through them. Then what?

The courage and stoic endurance of the soldiers at the front is almost unbelievable. When wounded they do not get adequate medical aid for one to two weeks, and during that time no splints at all. The dressings at the front are primitive, and often the medical workers know nothing whatever about sterilisation, so that the wounded arrive in the rear badly infected. A "nurse" at the front is a soldier who has received one month's training; a "doctor" is often a youth with a primary school education or less who has been trained for one year as a dresser. There are a few good doctors, but very few; some are overburdened with work and become almost impotent from the magnitude of the problem facing them. Other "doctors" are calm and cynical before any kind of question or suggestion, and regard sterile dressings as just some newfangled foreign superstition. I shall die with one hope in my heart: that every war profiteer, every politician in the rear, every "doctor" in the Army Medical Service shall be wounded just once and be forced to lie in an Army dressing station or hospital. If that can ever happen, I shall long for nothing else in life and shall die content.

DECLASSIFIED: E.O. 11652, 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
JUL 24 1940
NOTED 940

~~GA~~ ~~Conner~~
~~WMM~~ 11 9-4
PA/H
~~Mr.~~ Hornbeck:

Reference Shanghai's 617, July 10, 7 p.m. in regard to the controversy over the recent arrest by the American marines of 16 Japanese gendarmes, armed and in plain clothes, in the American defense sector.

It would seem, upon the basis of information available, that Colonel Peck, Commander of the American Marines at Shanghai, has shown excellent judgment in handling the incident under reference. In the present mood of the Japanese military, the slightest indication of weakness on Colonel Peck's part would have resulted in an impossible situation. His statement is firm but is not provocative and should go far towards causing the incident to fade out.

The chief significance of the incident is the emphasis placed by the Japanese military upon it. Their attitude toward incidents of this kind is a reliable barometer of what they think the general Far Eastern situation is, and belligerency toward

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

DEPARTMENT OF STATE
DIVISION OF FAR EASTERN AFFAIRS

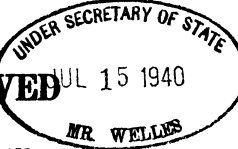
-2-

toward Americans and American interests on their part may be expected to rise and fall in keeping with their estimate of the freedom with which a changing world situation will permit the United States to act in the Far East in the protection of its interests.

It is recommended that no action upon the telegram under reference be taken by the Department.

WAA
FE:Adams:BLS

TELEGRAM RECEIVED



JT

GRAY

FROM

SHANGHAI VIA N.R.

Dated July 10, 1940

Rec'd 2:40 p.m.

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

July 11, 1940
Secretary of State,
Washington.

617, July 10, 7 p.m.



Following is editorial appearing in this evening's edition of the SHANGHAI EVENING POST AND MERCURY under caption "The Situation Is Well In Hand":
"The statement issued here yesterday by Colonel De Witt Peck, Commander of the Fourth Marines, should end the controversy once and for all resulting from the arrest Sunday of 16 Japanese gendarmes found in American Defense Sector.

Japanese denials that Consul General Yoshiaki Miura had apologized for the incident are correct. The person who apologized, as Colonel Peck pointed out, was Lieutenant-General Saburo Miura, Chief of the Japanese Gendarmerie.

If the Japanese had clearly stated that one newspaper had made a mistake in the first name of the apologizer the whole thing would have been settled. The fact that the denial was issued, however, seemed to

indicate

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793.1028

793.94/16027

F/FG

-2- #617, July 10, 7 p.m., from Shanghai

indicate that the Japanese were denying that any official at all had apologized.

While, no doubt, certain Japanese elements are angry at the arrests there are no legitimate grounds on which they can very well complain.

As the marine statement says, 'these men (the 16 suspicious loiterers) were along the route over which the Japanese General Nishio was expected to pass soon. The Marines were responsible for General Nishio's safety as long as he remained in the American Sector, and as these men might be terrorists, it was necessary to remove them and remove them fast'.

No Japanese can very well object to such prompt and successful action to safeguard their highest military officer in China."

Sent to the Department. Repeated to Chungking, Peiping. Code text by air mail to Tokyo.

BUTRICK

TFV

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

TELEGRAM RECEIVED

AS

PLAIN & GRAY

FROM

Peiping via N. R.

Dated July 10, 1940

Rec'd 9:28 a.m., 11th

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
JUL 11 1940
Department of State

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

232, July 10, 4 p.m.

July 11, 1940

793.94
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The PEKING CHRONICLE published this morning a Domei report dated Shanghai July 9 on the American marine Japanese gendarme incident at Shanghai which stated inter alia that "the whole incident involves a grave insult inflicted upon the Japanese army according to the Japanese military circles where high resentment is voiced over the outrageous treatment received by the Japanese gendarmes at the hands of American marines which has resulted in the injury of several of the arrested Japanese". The papers also published a Reuter report from Shanghai carrying a statement by Colonel Peck. The local Japanese language press printed the Domei report with editorial comment.

The Japanese army press spokesman here informed foreign correspondents this morning that a press tour to Shansi arranged for July 15 had been canceled "because of the uncertainty of the weather and the Shanghai incident

793.94/16028

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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. Quisenberry NARS, Date 12-18-75

AS-2 #232, July 10, 4 p.m., from Peiping via N. R.

incident"

Sent to Department.

Repeated to Chungking, Shanghai. By air mail
to Tokyo.

SMYTH

DDM

TELEGRAM RECEIVED

JI

FROM

PLAIN

Tokyo via Shanghai & N.R.

Dated July 9, 1940

Rec'd 11:15 a.m. 11th

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

Secretary of State

Washington

551, July 9, noon.

Reference Shanghai's 596, July 7, 3 p.m.

to the Department and our 552, July 9, 1 p.m.

Following is a summarized translation of a Domei despatch from Shanghai prominently featured in all newspapers this morning: "The Commander of the Japanese Gendarmerie regretted that he had failed to notify the American garrison in advance that the Japanese gendarmes in plain clothe were being sent into the American defense sector to protect General Nishio. He looked upon their arrest and detention as an unfriendly act but was willing to consider the matter closed on the release of the gendarmes. The possible negligence of the Japanese authorities in failure to give notification does not, however, excuse the indescribably outrageous and insulting treatment which was given the Japanese gendarmes after their arrest. Investigation revealed

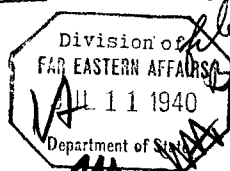
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Hueston NARS, Date 12-18-75

JI-2-#551, July 9, noon, from Tokyo via Shanghai & N.R.

that (1) the American marines struck the gendarmes with the butts of their rifles, and three of four of the Japanese were beaten in the face; (2) the Japanese were incessantly jabbed with rifles and were beaten whenever they spoke or spat while in the truck en-route to American marine headquarters; (3) at the Marine Headquarters the Japanese were forced to sit in the rifle practice yard and were threatened with loaded rifles as though they were on the point of being executed."

In addition to the Domei report many papers carry special despatches from their Shanghai correspondents emphasizing that the "outrageous and insulting" treatment was given to the Japanese gendarmerie even after their identity was known to the American forces. The Japanese authorities are said to be taking a very serious view of the question because the American marines apparently committed these "outrageous acts" intentionally and without provocation.

To the Department via Shanghai. Shanghai please repeat to Chungking and Peiping.

GREW

DDM

192

TELEGRAM RECEIVED

MA

Peiping via N.R.

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

FROM

Dated July 10, 1940

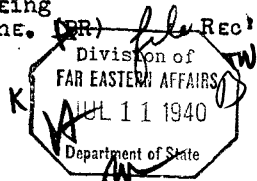
Secretary of State

Washington

Division of
FAR EASTERN AFFAIRS

JUL 11 1940

Department of State



Rec'd 11:10 a.m. 11th
July 12
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out of m. 15
RCK

233, July 10, 5 p.m.

Peiping's 232, July 10, 4 p.m.

Observers here believe that the Japanese reaction to the Shanghai incident arises in part from a need to release Japanese feelings exacerbated by the British refusal to close the Burma route which refusal is apparently felt by the Japanese as due in large measure to British consideration for American public opinion. The Japanese reaction is also believed to be part of a general campaign of pressure on the foreign concessions, which includes withdrawal of foreign troops.

Some observers here believe that the Japanese hope that the wide publicity being given the incident by them will arouse in the United States among those Americans who are opposed to the stationing of American armed forces in China a demand for their recall.

Repeated to Chungking, Shanghai. Code text by air mail to Tokyo.

RR

SMYTH

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FILED
JUL 16 1940

F/N

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

001083

FE

TELEGRAM RECEIVED

JI

GRAY

FROM

Shanghai via N. R.

Dated July 11, 1940

Rec'd 2 p.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
JUL 12 1940
Department of State

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

July 12 582

621, July 11, 4 p.m.

This noon I received from Colonel Peck a translation of the covering letter dated July 8 that General Miura addressed to him in Japanese concerning the alleged treatment of the Japanese gendarmes by American Marines. General Miura stated that at the time of his visit to Colonel Peck on July 7 they agreed to consider the incident closed, but subsequently new facts were disclosed "which were considered to have been very unfriendly and which we cannot overlook". General Miura then stated: "Although gendarmes who were taken into custody by your forces were acting in accordance with orders from higher authority, and in spite of the fact that these men were not responsible for any unlawful act in this affair, they were treated in a manner befitting condemned criminals. They were forced to squat down on the floor of a rifle range just like ordinary criminals; they were in custody for a period of many hours. These foregoing facts constitute a grave insult to the Japanese

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-2- No. 621, July 11 4 p.m. from Shanghai via NR

Japanese army." Furthermore, Miura stated: "at the time of arrest of the gendarmes they not only offered absolutely no resistance, but also displayed and surrendered their identification cards. In spite of this, marines of your force seized our men bodily and rendered them absolutely helpless. Then the gendarmes were reportedly struck on the head, face and elsewhere; they were grabbed by their arms and legs and even by their ears; they were ridiculed; they were struck and threatened with the butts of rifles. Entirely unnecessary force and a display of brutality beyond words were employed, which resulted in some of our men being wounded. The above violent, outrageous conduct occurred in spite of the fact that the men were from the very first positively recognized and identified as gendarmes."

General Miura in his letter then expatiates upon upon the visit of General Nishio to the settlement on July 7, and the duties and practices of Japanese gendarmes. He states that the failure to notify Colonel Peck in advance of General Nishio's visit was "an oversight on our part". The concluding paragraph of the General's letter reads:

"I wish to add that this office and the forces serving under us who have become extremely angry at such

001085

-3- No. 621, July 11 4 p.m. from Shanghai via NR

such an unchivalrous attitude on the part of your forces, look to you, in whom they have usual confidence, for the proper settlement of this incident, and that it has been with difficulty that we have controlled the anger aroused in our forces". (signed General Miura).

The following is a copy of Colonel Peck's reply;
"July 10, 1940. Major-General Miura, Bridge House, North Szechuan Road, Shanghai. My dear General; this is to acknowledge receipt of your letter of July 8th relative to arrest of gendarmes in the American Sector.

The facts of the incident are already well known to you.

You should construe our efforts of last Sunday to safeguard your Commander-in-Chief as indicative of our high respect for the Japanese army.

Assuring you of my warmest personal regards,
sincerely yours" (signed D. Peck, Colonel, United States Marine Corps, Commanding)

Sent to the Department. Repeated to Chungking and Peiping. By air mail to Tokyo.

BUTRICK

TFV

TELEGRAM RECEIVED

JT

PLAIN

SHANGHAI VIA N.R.

FROM

Dated July 11, 1940

Rec'd 8:11 p.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
JUL 12 1940
Department of State

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

July 12 1940

622, July 11, 5 p.m.

The following is a translation of an article that appeared in the June eleventh issue of the SIN SHUN PAO, a Japanese-owned Chinese language newspaper:

"An emergency meeting of Japanese residents raises a high wave of patriotism and issues a statement to overthrow the United States. Because of the occurrence of the incident of insult to the Imperial Army, the feeling of Japanese residents towards the United States has reached a point of outbreak. They have lit a beacon fire of overthrowing the United States and further desire to make it a matter of national importance. Last night a mass meeting of residents was held at the Tairiko Club for the purpose of punishing the ferocious United States. The following statement was issued: 'This incident in which American marines perpetrated outrage and insult upon Japanese gendarmes is a clear expression of America's antagonism to Japan and is by no means a local

and

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-2- #622, July 11, 5 p.m., from Shanghai

and accidental small matter. The dignity of the Imperial Army has been almost completely destroyed by them and the prestige of the Empire trampled upon by their muddy feet. The blood shed by 100,000 loyal and faithful heroes has consequently been made nothing. We subjects of the great Empire of Japan assuredly cannot quietly regard this incident. If the United States desires to settle the incident in a muddling manner, serious consequences will certainly be brought about between Japan and the United States because our people's indignation has reached an extreme and our great patience has been taxed to an unendurable limit. It is not only a clear fact that the United States is the enemy of Asiatic development but also she attempts to oppose the Empire and to obstruct on behalf of all third powers the sacred task of the Empire. In order to carry through the object of the sacred war we must cause the United States and the various anti-Japanese and pro-Chiang countries under her to withdraw from East Asia and must completely wipe away their influences. We respectfully make a statement as above.' We have great concern about the progress leading toward a solution of this incident and are now closely watching this matter."

Sent to the Department. Repeated to Chungking, Peiping. By airmail to Tokyo.

BUTRICK

YFV

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

TELEGRAM RECEIVED

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

RDS

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

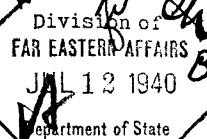
FROM

Shanghai via N.R. *July 13 8 292*

Dated July 12, 1940

Rec'd 12:24 a.m.

Secretary of State,
Washington.



*9/12
show to
DND + MID
KCK*

625, July 12, 9 a.m.

Immediately upon receipt last night of your 303,

July 10, 6 p.m. I proceeded to Colonel Peck's residence and
showed your message to Colonel Peck with whom I am keeping
in closest touch. Conversations between Colonel Peck and
the Japanese liaison officer initiated by the latter yester-
day are continuing today. I have discussed the matter in-
formally with my Japanese colleague and have great hopes
for an early settlement on the basis indicated in the De-
partment's instruction.

Sent to the Department. Repeated to Peiping and Chung-
king.

BUTRICK

EMB

FILED
JUL 16 1940

793.94/16033

F/FG

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893.1028*

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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 (no. 625) of July 12, 1940, from the American Consulate General at Shanghai reads substantially as follows:

Conversations begun on July 11 by the Japanese liaison officer are still going on between that officer and Colonel Peck in regard to the recent incident at Shanghai between American marines and certain Japanese. The American Consul is keeping in close touch with Colonel Peck and has talked informally with the Japanese Consul in regard to the incident. The American Consul is very hopeful that the matter may be settled soon on a basis of reasonableness and prudence.

885
FE:EGC:JPS
7-13

MEK
FE

TELEGRAM RECEIVED

RDS

GRAY

FROM

Shanghai via N. R.

Dated July 11, 1940

Rec'd 11:05 p.m.

Secretary of State,
Washington.



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

619, July 11, 2 p.m.

Reference my 618, July 11, 1 p.m.

Quoted below are copies obtained from Colonel Peck
of a letter which the commander of the Japanese gendarmerie
addressed to him on July 8 expressing his gratitude to
Peck in connection with General Nishio's tour of Shanghai
on July 7 and of Colonel Peck's reply to Major General Miura:

"From commander Shanghai gendarmerie to Colonel D. Peck,
commander American defense forces.

Concerning the inspection trip of General Nishio,
commander in chief of Japanese forces in China, through
the International and French Settlements and the western
district, I wish to state that I realize you were in the
midst of special precautions and preparations for the July
(?) anniversary and that the General's trip was made
without previous special notification, but in spite of this
the General's trip was completed without the slightest
delay or obstruction. For this I wish to express to you my
deep gratitude.

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793.1028

-2- #619, July 11, 2 p.m., from Shanghai.

I also request that you please extend my sincere greetings to all of your junior officers and subordinates.

Sincerely yours, (signed) Saburo Miura"

Major General Miura, Bridge House, North Szechuen Road, Shanghai.

My dear general: I wish to thank you for your letter of July 8th in which you expressed an appreciation for the **caution** taken by the Fourth Marines for the safety of General Nishio, commander in chief of the Japanese forces in China, during his presence in the American sector.

I have taken pleasure in conveying this expression to the officers of my command. Sincerely yours (signed)
D. Peck, Colonel United States Marine Corps Commanding"

Sent to the Department. Repeated to Chungking and Peiping. By air mail to Tokyo.

BUTRICK

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JR

TELEGRAM RECEIVED

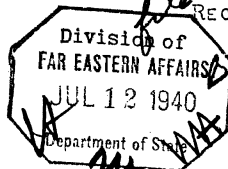
Shanghai via N. R.

Dated July 11, 1940

FROM

Rec'd 5:35 a.m., 12th.

Secretary of State,
Washington.



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

July 12 1940

624, July 11, 7 p.m.

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Commenting in his regular column this afternoon in the SHANGHAI EVENING POST AND MERCURY, Woodhead states that the incident involving the Japanese gendarmes and the later incident involving the detention at Shanghai by the Japanese of the British steamer SHENCKING carrying manifested munitions belonging to the French may be indications that the Japanese forces in this area are determined, regardless of the consequences, to force a showdown locally with American and British Governments. He mentions the ill chosen day for the visit of General Nishio and states that "when it was reported that a number of armed plainclothes Japanese had stationed themselves along the expected route, the commandant of the marines lost no time in acting. Orders were issued for their immediate arrest, which was in some cases, as an eye witness informed me, accompanied by a desperate struggle. There was no time to investigate the men's credentials

793. 94/16035

F/FG

-2- #624, July 11, 7 p.m., from Shanghai.

credentials which would in any case have been considered invalid owing to the definite understanding between Japanese and American commands that no armed Japanese would operate in the American sector. He then recalls the August 13, 1938 incident when foreign defense forces arrested fifteen Japanese soldiers in plain clothes and comments that one can imagine the uproar that would have followed had any attempt been made upon General Nishio and what complications would have ensued had Japanese gendarmes opened fire in an area for which the American marines were responsible. Commenting on the reopening of the case by the Japanese he says that if the mere arrest of the plainclothes Japanese was an insult what description should have been applied to the arrest on July 29, 1959 of a detachment of seafarths in uniform who had inadvertently trespassed a few yards into the Japanese sector in the course of wiring duties. Sent to Department. Repeated to Peiping, Chungking. By air mail to Tokyo.

BUTRICK

EMB

MA

TELEGRAM RECEIVED PLAIN AND GRAY

Shanghai via N.R.

FROM

Dated July 11, 1940

Rec'd 7:30 a.m. 12th

Secretary of State

Washington

623, July 11, 6 p.m.

My 621, July 11, 4 p.m.

Following is a translation of an article
appearing today in the SIN SHUN PAO, a Japanese-
owned Chinese language newspaper:

"American armed forces attempt to gloss over the
true circumstances surrounding the case of atrocities--
facts defeat strong arguments; all the more distinctly
manifested though intended to gloss them over --
the American side has energetically attempted to
gloss over the true circumstances surrounding the case
of brutal acts committed by American marines upon
Japanese gendarmes. In their statement it was
announced that 'only three Japanese gendarmes were
injured and moreover the slight injuries were really
sustained at the time of arrest'. However, the fact
concerning the brutal acts perpetrated by more than
twenty American soldiers upon the Japanese gendarmes
have been well established by the remarks made by the
Japanese gendarmes.

Now

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

July 12 1940

793.94/16036

F/FG

MA -2- tel # 623, July 11 from Shanghai.

Now according to an intelligence report obtained by this paper from a certain source, among the sixteen Japanese gendarmes as many as eleven suffered serious and slight injuries. Moreover, action on the instructions of their superiors, the Japanese gendarmes were exclusively engaged in taking precautionary measures along the places through which it had been pre-arranged for the Commander-in-Chief of the army to pass. Though they were subject to discourtesies and arrest, yet they persistently considered that it was a mistake on the part of the American soldiers. As they kept patient for self-respect, their feelings could readily be imagined, and their Bushido attitude was really worthy of admiration. The conditions of injuries sustained by the Japanese gendarmes are described.

Condition of atrocities of American armed forces:
Sergeant Major Sogabe, right shoulder joint twisted--
it will take three weeks to recover; Sergeant Major
Tsujitaky bruises, on the left side of the face--
it will take two weeks to recover; Senior Sergeant Sugino,
bruises on the left front arm -- it will take about five
days to recover; Sergeant Uesaki, bruises on the right
thigh-- it will take one week to recover; Sergeant
Okouchi, bruise from being kicked on the calf of the right

leg

MA -3- tel # 623, July 11 from Shanghai.

leg-- it will take ten days to recover; Sergeant
Haramada, bruises on the thigh and on lower right leg--
it will take two weeks to recover; Corporal Morinaga,
bruises on the left thigh -- it will take ten days to
recover; Corporal Kumiyama, left side of the face
and right side of the neck -- it will take fifteen
days to recover (wounds not stated); Corporal
Yoshida, laceration on right side of the head and bruise
on the right cheek -- it will take two weeks to recover;
First Class Private Hitohira, bruises on the right
cheek--it will take five days to recover".

Repeated to Chungking, Peiping. Air mail to Tokyo.

BUTRICK

RR

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

TELEGRAM RECEIVED

FROM

MA

Shanghai via N.R.

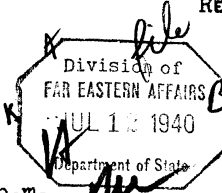
This telegram must be closely
paraphrased before being communi-
cated to anyone. (A)

Dated July 12, 1940

Rec'd 11:11 a.m.

Secretary of State

Washington



*Charles M. Latham states
he will let us know when
report is rec'd.*

GA

629, July 12, 6 p.m.

I am informed by Colonel Peck that he has forwarded
to Admiral Hart and Washington Naval Intelligence
a secret report in which Department may be interested.

BUTRICK

TFV

793.94/16037

FILED
JUL 16 1940

F/FG

TELEGRAM RECEIVED

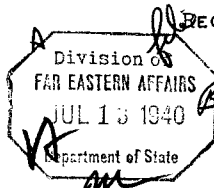
JI
This telegram must be
closely paraphrased be-
fore being communicated
to any one. (A)

FROM Shanghai

Dated July 12, 1940

Rec'd 12:32 p.m.
7.12.40

Secretary of State
Washington



And. McCulloch
states he will let
me know.

GA

793.94 629, July 12, 6 p.m.

I am informed by Colonel Peck that he has
forwarded to Admiral Hart and Washington Naval
Intelligence a secret report in which Department may
be interested.

BUTRICK

WSB

F.W. 793.94/16037

F/A

FILED
JUL 16 1940

TELEGRAM RECEIVED

JI

GRAY

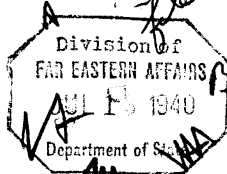
FROM

Shanghai

Dated July 11, 1940

Rec'd 9:35 a.m. 12th

Secretary of State
Washington



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

July 13, 1940

618, July 11, 2 p.m.

My 616, July 10, incident involving American
marines and Japanese gendarmes.

Last night Japanese variously estimated at
1000 to 3000 arrived in an orderly mass meeting in
~~Hong Kong~~ ^{Hongkew} at which a resolution is reported to have
been passed urging the Japanese authorities to (#)
and and a public apology from Colonel Peck before
"an international body" some anti-American posters were
distributed in ~~Hong Kong~~ ^{Hongkew}.

A statement by Rear Admiral Takeda, commander of
the Japanese naval landing party, was issued at the
Japanese press conference yesterday afternoon. According
to press reports, the Admiral termed the manner in which
the gendarmes were arrested "a barbarous act beyond
description. Since they had already identified them
as Japanese gendarmes and still dared to take such action,
they

793.94 / 16038

F/F/G

793.94

note
893.102 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

JI-2-#618, July 11, 2 p.m. from Shanghai

they must have perpetrated a grave insult intentionally on Japanese military men. As the dignity of the Japanese armed forces has been trampled on in such manner, all military men and the people of Japan are extremely indignant. Developments in the case are being closely watched with the greatest concern".

The Japanese military spokesman is reported to have stated at the same press conference that the statement issued by the marines (transmitted in my 607, July 9) "is beside the mark." He is reported to have added that no protest is being made regarding the actual arrest of the gendarmes, but that "violent exception" is taken to the treatment they are alleged to have suffered.

The local Japanese controlled press continues to carry sensational and inciting articles on the subject. Colonel Peck has stated that he will send me a translation of the Japanese protest to him, and a copy of his reply. He added that his official report on the case is not completed yet.

Repeated to Chungking and Peiping. By mail to Tokyo.

BUTRICK

WSB

CORRECTED COPY

FE

TELEGRAM RECEIVED

JR



FROM

GRAY

Shanghai via N. R.

Dated July 12, 1940

Rec'd 8:15 p.m.

Secretary of State,
Washington.

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

626, July 12, 3 p.m.

July 18 1940

Following is Colonel Peck's report dated July 11 to
Commander-in-Chief, United States Asiatic Fleet.

"One. On Sunday, 7 July, 1940, General Nishio,
Commander-in-Chief of the Japanese army in China, visited
Shanghai and made an official touring of the settlement
and French concession. No notification of the General's
intended tour of the American defense sector was received
from Japanese army authorities. We received the
information from British sources at 20:30, July 6. I
immediately called the Japanese liaison office by
telephone. They verified the information. I requested
details of time of entry into the American sector and
route. This was given. I then stated that I would meet
the General personally on his entry into the American
sector to welcome him and that I would furnish him a guard
of honor.

Two. At 09:50, 7 July, General Nishio entered the
American sector at Bubbling Well and Yuyaching roads,
with Shanghai municipal police and Japanese army escorts.

I

793.94/16039

-2- #626, July 12, 3 p.m., from Shanghai.

I had an escort of marines, in trucks, at the sector boundary and personally met the general there. I told him it was an unexpected pleasure to have him in the American defense sector and that I was providing him with a military escort through the sector. General Nishio's route through the American sector was along Bubbling Well Road. He left the sector at 10:40 at Bubbling Well Road and Avenue Haig, having stopped off at the Park Hotel where an official Japanese reception was held. The marine escort stayed with the general's party the entire time he was in the American sector. I turned the escort over to the staff officer at the entrance to the Park Hotel and left, as I had not been invited to attend the reception.

Three. While returning to regimental headquarters, I was met by one of my officers who told me that information had just been received from the municipal police that Japanese civilians, thought to be Japanese gendarmes, carrying concealed weapons, were on Bubbling Well Road. This was the route along which General Nishio was expected to pass soon. We were theoretically responsible for the General's safety while in the American defense sector. There was no time to verify these men's identities through gendarmerie headquarters. They were possibly terrorists.

It

-3- #626, July 12, 3 p.m., from Shanghai.

It was necessary to remove them and remove them fast. I gave orders to have all such armed men arrested because they were operating in the American sector without my permission or knowledge, that the men would be released, but that I expected to receive an apology from Major-General Miura, commander of the Japanese gendarmerie. A municipal police officer accompanied the marines and pointed out the suspicious characters. It should be noted that on this date, the anniversary of the Loukouchiaio incident, the Shanghai Municipal Police had requested the active support of the marines in preventing anti-Japanese demonstrations or terroristic acts within the Settlement.

Four. General Miura called at about 15:00 and explained that the gendarmes had been stationed in the sector for the protection of General Mishio. He expressed his regrets for the oversight in not giving prior notification or requesting permission, but stated that he personally had been under the impression that the Japanese liaison officer had sent a notification, and placed the blame for failure to notify me on that office.

Five. Major General Miura expressed his assurance that such improprieties would not occur again. I assured him that as long as the Japanese lived up to their agreements there would be no trouble.

Six.

-4- #626, July 12, 3 p.m., from Shanghai.

Six. Major Okamka, gendarmerie officer who accompanied the General, signed a receipt for the 16 men, pistols and ammunition. The men were then taken to the gendarmerie headquarters under guard of marines and were there released.

Seven. Major General Miura and I agreed that so far as we were concerned the incident was closed.

Eight. Allegations have subsequently been made that these men were maltreated. This is, of course, untrue. The routine examination by a medical officer upon placing these men in confinement indicated that three had superficial cuts; iodine cases. These cuts were received when they resisted arrest.

Nine. On this same day two Japanese tanks, without permission or even notification, entered the American sector going eastward along Avenue Foch and leaving westward via same route. I have requested an explanation.

Ten. I am also writing a letter to the Japanese authorities inviting attention to the discourtesy shown in their commanding general making an official tour of the American sector without my permission, and in the Japanese military holding an official reception in the American sector without even notifying me.

Eleven.

-4- #626, July 12, 3 p.m., from Shanghai.

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Eleven.

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- #626, July 12, 3 p.m., from Shanghai.

Eleven. The incident is by no means closed as the Japanese press spokesman is keeping the issue alive with violent denunciation. A further report will be made."

Sent to the Department. Copy by air mail to Chungking, Peiping, Tokyo.

BUTRICK

TFV

TELEGRAM RECEIVED

RDS

GRAY

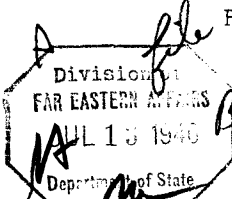
FROM

Shanghai via N.R.

Dated July 12, 1940

Rec'd 8:15 p.m.

Secretary of State,
Washington.



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

626, July 12, 3 p.m.

July 13, 1940

Following is Colonel Peck's report dated July 11 to
Commander-in-Chief, United States Asiatic Fleet.

"One. On Sunday, 7 July, 1940, General Nishio,
Commander-in-Chief of the Japanese army in China, visited
Shanghai and made an official touring of the settlement
and French concession. No notification of the General's
intended tour of the American defense sector was received
from Japanese army authorities. We received the information
from British sources at 20:30, July (3?). I immediately
called the Japanese liaison office by telephone. They
verified the information. I requested details of time of
entry into the American sector and route. This was given.
I then stated that I would meet the General personally
on his entry into the American sector to welcome him and
that I would furnish him a guard of honor.

Two. At (?) 50, 7 July, General Nishio entered the
American sector at Bubbling Well and Yu(?)ching roads,
with Shanghai municipal police and Japanese army escorts.

I

F/N

793.94/16039

FILED
JUL 16 1940

793.94

note

893.102 S

-2- #626, July 12, 3 p.m., from Shanghai via N.R.

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Three. While returning to regimental headquarters, I was met by one of my officers who told me that information had just been received from the municipal police that Japanese civilians, thought to be Japanese gendarmes, carrying concealed weapons, were on Bubbling Well Road. This was the route along which General Nishio was expected to pass soon. We were theoretically responsible for the General's safety while in the American defense sector. There was no time to verify these men's identities through gendarmerie headquarters. They were possibly terrorists. It was necessary to remove them and remove them fast. I gave orders to have all such armed men arrested. A municipal police

-3- #626, July 12, 3 p.m., from Shanghai via N.R.

police officer accompanied the marines and pointed out the suspicious characters. It should be noted that on this date, the anniversary of the Loukouching, because they were operating in the American sector without my permission or knowledge, that the men would be released, but that I expected to receive an apology from Major General Miura, commander of the Japanese gendarmerie.

Four. General Miura called at about 15:00 and explained that the gendarmes had been stationed in the sector for the protection of General Nishio. He expressed his regrets for the oversight in not giving prior notification or requesting permission, but stated that he personally had been under the impression that the Japanese liaison officer had sent a notification, and placed the blame for failure to notify me on that office.

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Six. Major Okamka, gendarmerie officer who accompanied the General, signed a receipt for the 16 men, pistols and ammunition. The men were then taken to the gendarmerie headquarters under guard of marines and were there released.

Seven. Major General Miura and I agreed that so far as we were concerned the incident was closed.

Eight.

-4- #626, July 12, 3 p.m., from Shanghai via N.R.

Eight. Allegations have subsequently been made that these men were maltreated. This is, of course, untrue. The routine examination by a medical officer upon placing these men in confinement indicated that three had superficial cuts: iodine cases. These cuts were received when they resisted arrest.

Nine. On this same day two Japanese (?), without permission or even notification, entered the American sector going eastward along Avenue Foch and leaving westward via same route. I have requested an explanation.

Ten. I am also writing a letter to the Japanese authorities inviting attention to the discourtesy shown in their commanding general making an official tour of the American sector without my permission, and in the Japanese military holding an official reception in the American sector without even notifying me.

Eleven. The incident is by no means closed as the Japanese press spokesman is keeping the issue alive with violent denunciation. A further report will be made."

Sent to the Department. Copy by air mail to Chungking, Peiping, Tokyo.

BUTRICK

EMB

TELEGRAM RECEIVED 93

RDS

GRAY

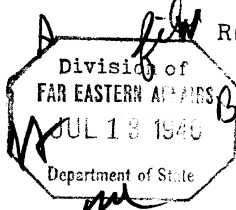
FROM

Tokyo via Peiping & N.R.

Dated July 11, 1940

Rec'd 8:11 p.m.

Secretary of State,
Washington.



566, July 11, noon.

Department's 233, June 29, 6 p.m. /15994

In the course of my conversation today with the Minister for Foreign Affairs I once again drew his attention to the attitude of our Government towards bombings of civilian populations and read and left with him a copy of the substantive part of Chungking's 309, July 1, 10 a.m. At the same time I orally set forth with emphasis the significance of the statement in that telegram. Mr. Arita as usual replied that the Japanese aviators seek to bomb only military objectives.

Sent to the Department via Peiping. Peiping please repeat to Chungking.

UNSIGNED

EMB

FILED
JUL 16 1940

793.94/16040

F/N.

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

TELEGRAM RECEIVED

EH

FROM MAIN

Shanghai

Dated July 12, 1940

Rec'd 10:45 a.m. 13th

Secretary of State,
Washington.

630, July 12, 7 p.m.

Incident of July seventh.

The China press comments editorially this morning as follows: "The sooner the incident in the American Defense Sector on July 7 is settled, the better it will be for everybody concerned."

Official quarters in both Tokyo and Washington believe that the affair could be amicably settled locally and it is to be hoped that the local Japanese authorities will fall in line with such views.

The incident was not as ugly as the general public was led to believe. Needless to say, the anti-American outburst in the form of a press and poster campaign by the Japanese was an uncalled-for demonstration of Japanese feelings. The revolting for a public apology from Colonel Dewitt Peck, commanding officer of the Fourth Regiment United States Marine Corps, was even more unwarranted.

It was

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

July 15, 1940

793.94/16041

F/FG

-2- 630, July 18, 7 p.m. from Shanghai.

It was rather unfortunate that the incident should have occurred, but for its occurrence the Japanese were mainly to blame. They failed to inform the Marine headquarters beforehand that in order to give General Nishio protection, armed gendarmes in plain clothes would be posted on Bubbling Well Road. No arrest of the gendarmes would have been made had advance information been given to the Marines. For this oversight, Major General ^{MIVRA} ~~Nishio~~ expressed his regrets to the Fourth Regiment.

The Japanese Army spokesman said at Wednesday's press conference that the whole question at issue was not the arrest instead but rather the violent and unfriendly treatment to which the gendarmes were subjected. The Marines, in their statement to the press, denied any ill treatment of the Japanese. Three of the sixteen arrested sustained slight cuts because they resisted arrest. That the Japanese gendarmes were subjected to violence and insults have not been substantiated by any conclusive testimony.

It appears that the whole affair has been greatly magnified. If the Japanese authorities do not desire to aggravate further the situation, there is still time to call the incident closed. As far as we can see, nobody has lost any 'face' in the affair."

The Shanghai EVENING POST and MERCURY this afternoon

comments

-3- 630, July 12, 7 p.m. from Shanghai.

comments editorially as follows: "The incident Sunday in which sixteen Japanese gendarmes were detained by the Fourth Marines for loitering about the American Defense Sector without previous notice having been given the American authorities is apparently still ranking as the breast of those across the creek.

We had thought the entire matter was washed up with the acknowledgment by Major General Saburo Miura that the gendarmes were at fault in appearing with concealed arms in a place where they were not expected and, under circumstances, had no right to be. Apparently that isn't the point at all in the minds of the Japanese.

They have complained that the Marines used force in making the arrests and asserted that the incident will not be closed until assurances have been given that similar situations will not occur in the future.

It's beyond our comprehension how anybody can make an arrest of a suspicious loiterer without using force if the suspect resists. What would the Japanese say, for instance, if the Marines had asked a group of loiterers to come to headquarters for questioning, the loiterer had refused and the Marines had stood by helpless as the group took a few shots at General Nishio as he came past?

Would

-4- #630 July 12, 7 p.m. from Shanghai

Would they have sanctioned the use of force in
that case? You know the answer as well as we do!"
Sent to Department. Repeated to Peiping, Chungking.
Air mail to Tokyo..

BUTRICK

PES

ATP

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

TELEGRAM RECEIVED

Peiping via N.R.

Dated July 13, 1940

Rec'd 11:20 a.m.

Secretary of State,
Washington.

237 July 13, 1 p.m.

Peiping's 233 July 10 5 p.m., Shanghai marine
incident.

743.94

THE PEIPING CHRONICLE continues to publish Domei and
Reuter reports of the incident without comment but
Japanese and Chinese language newspapers have not
mentioned it for three days. In this connection an
official of the Japanese Embassy told a member of the
staff of this Embassy that "we do not want to have
any trouble here" implying that the outburst of Japanese
indignation in Shanghai was officially inspired for local
reasons.

Sent to the Department, Repeated to Chungking,
Shanghai, by air mail to Tokyo.

SMYTH

CSB

793.94/16042

F/FG

TELEGRAM RECEIVED

194

JT

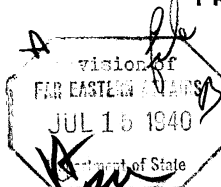
FROM

GRAY

TOKYO

Dated July 13, 6 p.m.

Rec'd 10:30 a.m.



Secretary of State,
Washington.

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

578, July 13, 6 p.m. *July 15 1940*

Department's 252, July 10, 6 p.m., reference Japanese
gendarmes incident at Shanghai.

One. An approach along the lines desired by the
Department was made to the Foreign Office today, which
replied in the following sense:

The Foreign Office has been in accord with the
view that the issuance of sensational statements should
be discouraged but instructions in the sense suggested
by the Department were made unnecessary by the receipt
of a telegram from the Japanese Consul General reporting
that he had already taken necessary steps. The Foreign
Office has instructed the Consul General to use his
best efforts toward settlement of the incident locally
between the military commanders concerned.

Two. The only reference to this case in this
morning's papers is a Domei despatch from Shanghai re-
porting briefly Colonel Utsunomiya's call on Consul

Peck

793.94/16043

F/FG

793.94
not
892.122

195

-2- No. 578, July 13, 6 p.m., from Tokyo

Peck.

Sent to Department, repeated to Shanghai for relay
to Peiping and Chungking.

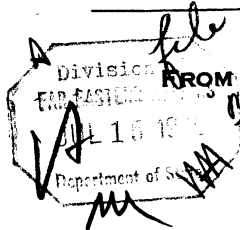
GREW

GW

TELEGRAM RECEIVED

196

RDS



GRAY & PLAIN

Shanghai via N.R.

Dated July 13, 1940

Rec'd 4:38 p.m.

Secretary of State,
Washington.

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

no action
VAA

635, July 13, 7 p.m.

Incident of July 7th.

743.94
note
743.1028

After consulting Colonel Peck I called on my Japanese colleague at his home the night of the 11th and suggested that Colonel Peck and Miura agree on a joint communique which would settle incident. Japanese staff officers consulted Peck's staff officers yesterday after which latter suggested conference between Peck and Miura which was held this morning and some progress was made although no definitive agreement was reached. The following was released to press at noon today:

"Colonel Peck commanding Fourth Marines paid a call on Major General Miura commanding gendarmerie forces in Shanghai and discussed details of the incident of July 7th. It is hoped that a joint statement may be given soon."

Chairman and Vice Chairman of American Association, which represents the American community here, called on Peck at his home this afternoon while Rear Admiral Glassford and I were present. They stated that while the Association had

793.94/16044

F/FG

197

-2- #635, July 13, 7 p.m., from Shanghai via N.R.

had purposely remained apart from the incident they wished the American authorities to know they were 100% behind Peck's action and were ready to give him active support at any time. He thanked them and said that he was conferring with General Miura direct and that if both parties demonstrated good will and a sincere desire to conclude the regrettable incident he hoped a settlement would be reached shortly. They again assured him of their approval of his action and desire to support him.

Thus far all agitation in this matter has come from the Japanese side and a great deal of it has been incitive and immoderate. It has moderated somewhat the past few days.

Sent to the Department. Repeated to Peiping, Chungking. By air mail to Tokyo.

BUTRICK

EMB

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

PAP

GRAY

FROM

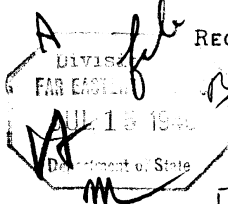
SHANGHAI VIA N.R.

Dated July 14, 1940

Rec'd 10:30 a.m.

Secretary of State

Washington



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

July 15, 1940

636, July 14, 4 p.m.

Incident of July 7.

Tokyo's 578, July 13, 6 p.m.

In my July 11 conversation with Consul General Niura I pointed out that negotiations under such conditions would give the unfortunate appearance of being the result of Japanese agitation; however, his action has apparently had little effect on Shanghai Japanese army controlled press which continues to publish derogatory and incitive articles.

Reference my 635, July 13, 7 p.m., General Miura after consulting his authorities has informed Colonel Pack that he cannot approve nor issue the joint communique which they had jointly drafted. Colonel Pack will be the luncheon guest of General Miura tomorrow.

It can be said with certainty that any possible break down of the negotiations cannot (repeat not) be attributed to the American side which is being reduced to the utmost possible.

Repeated

793.94/16045

F/FG

793.94
note
893.1028

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

PAP -2- 636, July 14, 4 p.m. from Shanghai

Repeated to Chungking and Peiping. Code text by
air mail to Tokyo. Substance of this message conveyed
to Colonel Peck with whom I am in closest touch.

BUTRICK

RR

198

FE

TELEGRAM RECEIVED

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

AS

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

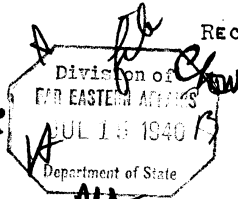
FROM

Chungking via N. R. *July 16 892*

Dated July 15, 1940

Rec'd 10:23 a.m.

Secretary of State
Washington.



341, July 15, 9 a.m.

General Wu Te-Ch'en, Minister of the Overseas Board
and member of the Central Executive Committee of the
Kuomintang, lunched with me yesterday. His observations
may be of interest.

General Wu said China must and would continue to
resist Japanese aggression until an honorable peace could
be obtained. Favorable terms could not be obtained at this
time and hence the fight must go on irrespective of ex-
ternal developments. General Wu asserted that he expected
Great Britain to comply with Japanese demands to close the
Burma road and he said this, coming after the closing of
the Indochina route, would greatly accentuate the diffi-
culties of resistance not only because China would be un-
able to receive essential supplies such as gasoline but
also because Japan probably would be led to large scale
military operations in an endeavor to crush Chinese mili-
tary resistance. China would, he said, continue to rely
on

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AS-2- #341, July 15, 9 a.m., from Chungking via N. R.

on Russia for such aid as the latter could furnish.

(END SECTION ONE).

JOHNSON

TFV

TELEGRAM RECEIVED

200

FROM

JR

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

Chungking via N. R.

Dated July 15, 1940

Rec'd 10:55 a.m.

Secretary of State,
Washington.

341, July 15, 9 a.m. (SECTION TWO)

General Wu expounded the view current among Chinese leaders that the United States is the only Power today which can curb Japanese designs in East Asia. Japan, he said is following a policy of "bluff" which can be called only by resolute action on the part of the United States. He expressed the opinion that Japan is not (repeat not) willing to risk a frontal clash with the United States but is willing to resort to measures just short of that point. General Wu voiced the opinion that only concerted action on the part of the United States and Soviet Russia could stop the wars raging in Asia and Europe.

General Wu declared that the Wang Ching-wei regime has proved an abysmal failure and that Japan has been more harmed thereby than the Chinese Government. (END MESSAGE)

Sent to Department. Repeated to Peiping. Peiping please air mail to Tokyo.

TFV

JOHNSON

(CONFIDENTIAL)

201

PARAPHRASE

CONFIDENTIAL

A telegram (no. 341) of July 15, 1940, from the American Ambassador at Chungking reads substantially as follows:

Observations made on July 14 during the course of a lunch with the Ambassador by General Wu Te-ch'ien, who is Minister of the Overseas Board and a member of the Central Executive Committee of the Kuomintang, were to the following effect: Until such time as it would be possible to obtain an honorable peace China must resist Japanese aggression and would continue to do so. At the present time it would not be possible to obtain favorable terms. Irrespective of outside developments, the fight must therefore go on. General Wu expected the British to accede to Japan's demands that the Burma Road be closed. He said that such action following the closing of the route via Indochina would make the difficulties of resistance much greater both because China could not receive gasoline and other necessary supplies and because the Japanese would be likely to undertake military operations on a large scale in an attempt to put down military resistance on the part of the Chinese. The Chinese would continue to depend on the Soviet Union for such help as that country could supply.

The view, held currently by Chinese leaders, that
the

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

-2-

the only power which is able at this time to curb Japan's designs in East Asia is the United States was expressed by General Wu. Only resolute action by the United States can call the policy of bluff which General Wu asserted Japan is following. In his opinion, although Japan is willing to take measures just short of war, that country is not willing to run the risk of a head-on clash with the United States. He thought also that the wars raging in Europe and Asia could be stopped only by concerted action by the United States and the Soviet Union. The regime of Wang Ching-wei has turned out to be an utter failure and has been a source of more harm to the Japanese than to the Chinese Government, according to General Wu.

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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 Chinese resistance against Japanese aggression.

Summary of interview between the Counselor of the Embassy
and General Chang Chun, Secretary General of the National
Supreme Defense Council, who stated that the session of
the Central Executive Committee had closed and there was
still no change in the policy for,-

793.54 / 16047

For the original paper from which reference is taken

See Telegram # 333 11 AM

(Despatch, telegram, instruction, letter, etc.)

Dated July 11, 1940 From China (Chungking)
To (Johnson)

File No. 710.11/2541 (Sections 1-6)

U. S. GOVERNMENT PRINTING OFFICE 1-1540

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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, NAVAL RADIO

July 9, 1940. *Plain*

AMEMBASSY,

TOKYO (JAPAN) VIA SHANGHAI.

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

RUSH. 251 NINTH

At the press conference on July 9 the Secretary said, in reply to a question whether the Japanese Government had made any direct request of the State Department for an apology in connection with the incident at Shanghai involving our Marines and Japanese Gendarmes, that he had not repeat not heard from the Japanese Government with regard to the matter nor had he received full official report of the facts from Shanghai. ~~The Secretary remarked that our official reports are usually received later than news reports due to the fact that representatives of this Government are expected to confirm the reports even at the expense of promptness in reporting.~~ The Secretary said that in regard to local differences which may develop officials on the spot have standing instructions to confer with the local officials of the other Government and compose the situation;

Enciphered by _____

Sent by operator _____ M., 19____

D. O. R.—No. 50

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

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Washington,

that as a rule officials on the spot ~~usually~~ work these matters out on a basis of prudence and reasonableness; and that he hoped there may be a continuance of that same attitude. The Secretary pointed out that he was not repeat not attempting to emphasize or discount the importance of the incident at all; that his present attitude is to inquire as to the facts and whether officials on the spot who are in a better position than people several thousand miles away move toward composing what are usually local conditions; and that if and as the matter develops he would try to deal with the merits as best he could.

Sent to Tokyo via Shanghai. Repeated to Peiping and Chungking.

Hull

a.s.p.

CR
 JUL 9 1940 PM

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Sent by operator _____ M., _____, 19____

July 9, 1940

201

Q. Mr. Secretary, has the Japanese Government made any direct request to the State Department for an apology in connection with the Shanghai incident?

A. I have not heard from the Japanese Government with regard to the matter nor have I received the full official facts from Shanghai. As I said yesterday, there is usually enough prudence and reasonableness among the local officials to work these matters out - matters of difference that come up. I hope there may be continued that same degree and attitude.

-*****

Q. Mr. Secretary, you said a moment ago that you had not received a full report on this matter. According to the press reports and apparently assuming the larger proportion in the sense that the Japanese officials there in the Japanese Army have started an anti-American campaign in Shanghai, I wondered what reports you have received that may throw light on the seriousness of that situation.

A. No, I have not yet received any reports of substance on that phase. I think you know that our officials are generally some hours behind what the news reports are because they are expected to confirm it at the expense of all of the time and effort necessary to get the full facts accurately. I don't mean to discount from that sent out by others but sometimes others don't get them as fully as our representatives try to do.

Q. Mr. Secretary, when you get these full reports, will you make a decision as to whether or not an apology is correct,

(over)

A. As I said at the outset, in most all instances, there is always something coming up in the way of local differences. The local officials who are under standing instructions get together with the local officials of the other government and compose the situation and I have not heard from then yet on that phase of it.

Q. Does that mean, Mr. Secretary, that you don't feel this is important enough to cause direct feelings between the two governments?

A. I am not attempting to emphasize or discount the importance of the matter at all. My present attitude is one to inquire as to what the facts are and also whether the local officials who are always in a better position than people several thousand miles away move to compose what are usually local conditions. Then as the matter develops, if and when it does, I would seek to deal with the merits as best I might be able.

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

Division of
FAR EASTERN AFFAIRS
JUL 12 1940
Department of State

ADVISER ON POLITICS
MR.
JUL 10 1940
DEPARTMENT OF STATE

Tel. to JUL 10 1940
Tokyo (267)
July 13. JUL 13 1940

Return to
DIVISION OF CURRENT INFORMATION

GPO 16-14285

Washington Star

Manufactured Incident

From all indications the Japanese Army is endeavoring to manufacture a major grievance against the United States as the result of the arrest by American Marines of sixteen Japanese gendarmes in the American defense sector at Shanghai. The armed gendarmes, in plain clothes, had been sent into the American defense sector without notification to United States authorities. Their arrest properly followed, and some force presumably was used when three or four of the gendarmes resisted.

Upon the basis of what appear to be outright fabrications, however, the Japanese authorities are trying to enlarge this relatively unimportant matter into a major "incident," describing the arrests as an "unfriendly act" and as an "insult" to the honor of the Japanese Army.

It is difficult to determine from this distance the real significance, if any, of the Japanese attitude, but it is possible that a clue may be found in the official Japanese Army statement on the matter, which noted that the arrests were made "in an insulting manner in the presence of large Chinese crowds." From this it might be inferred that the extravagant protest, which was not accompanied by any demands, was nothing more than a face-saving move on the part of the Japanese.

But it is quite possible that the incident may have a deeper significance. The French have abandoned all pretense of resistance to the spread of Japanese imperialism in the Far East and the British, whose hands are tied, are being maneuvered into an extremely difficult position. Under these circumstances we cannot afford to overlook the possibility that the more aggressive elements in Japan have decided that this is an appropriate time to force a showdown in Asia with the United States.

JUL 9 1940

DCR

to file
with tel
to Tokyo
no. 267,
July 13

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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

Ref. to FE/Ch
JUL 10 1940

New York Herald Tribune

Those Sixteen Gendarmes

The hullabaloo which the Japanese Army agitators in Shanghai are making about the arrest of sixteen Japanese plain-clothes men by the United States marines who guard a sector of the International Settlement is, of course, for propaganda purposes. But just what the ultimate objectives of this propaganda are remains to be seen. The incident itself was a trifling one, as the Japanese Chief of Gendarmes recognized when he called at Marine headquarters to take his men out of durance, and it may be that the Japanese desire to make small capital only of it; but the Japanese Army has so often in the past made little incidents the excuse for taking control of their nation's foreign policy that they will now bear watching.

According to Col. Peck's account, a few resisted arrest and suffered contusions and scratches, which required no other medical treatment than a dab of iodine. Once under arrest, they were identified as gendarmes, and their commander was asked to come and get them, because, so far as the marines were aware, they were in the Settlement without the authority of their officers and possibly in violation of orders. The officer who called for them explained that they were in the Settlement under orders, all right, but admitted that some one who should have advised the Settlement of their mission had failed to do so, which was unfortunate. Making nothing of the scratches and contusions, he took delivery of his men and departed.

This, so far as the responsible Japanese and American officers were concerned, closed the incident. But when the army's agitation department heard what had happened and learned that a brief scuffle had accompanied the arrests, they saw that a grand opportunity for raising a great anti-Occidental smoke and smell was being forfeited. Whether with specific follow-up action in mind or not, they set about reopening the case with the usual resort to scurrilous posters and the vituperative local Japanese press.

One standing reason for such demonstrations is the army's grave need of evidence to submit to the home folks that it is doing something in China in the service of Japan's honor and is not just wasting Japan's scanty substance. It is hoped that the home folks will be so proud to know that their soldiers can make hostile demonstrations against the Americans with impunity that they will forget the army's expensive delay in polishing off this China incident. Another standing reason is the still graver need of recovering "face" when lost in the presence of Shanghai's large and hostile Chinese audience. Still another is to chalk up grievances against the Settlement and all its defenders, which the army can cite when it is ready, with or without authority from home, to seize control.

JUL 10 1940

Washington Post

Shanghai Reminder

On Sunday, United States Marines in Shanghai arrested sixteen Japanese gendarmes, armed but dressed in civilian clothes, who had entered the American defense sector of the International Settlement in that great Chinese port without securing permission to do so.

The Japanese, it appears, resisted arrest, with the result that very minor injuries were inflicted on three of their number by the Marines, acting in the police capacity assigned to them under the treaties which regulate the government of the International Settlement. The Japanese army authorities acknowledge fault in not giving notification of their desire to send the gendarmes into the defense area. But they are bitterly critical of this country for the results which unfortunately followed from this mistake on their own part.

Justification for the arrest of the gendarmes is tacitly admitted by the Japanese. And as the arrested men were all released after a few hours detention there would be no reason for paying attention to the episode if it were not for the apparent desire of the Japanese military to magnify it into an international incident. The Marines at Shanghai, whose record is one of excellent discipline and admirable restraint under provocation, are roundly accused of using unnecessary violence toward the gendarmes "and even in some cases pulled their ears."

No reflection on Japanese veracity is intended by saying that this alleged action has the ring of improbability. In their time the United States Marines have pulled a good many legs, but pulling ears seems strongly out of character. If it were a matter of biting an ear, that would be something else again. Mayhem, however, is not charged.

Except for the inflamed condition of international relations everywhere, the charges brought by Japanese military spokesmen would seem slightly ridiculous. But as matters stand in the Far East almost any episode might be made to serve as an excuse for initiating policies of the most far-reaching significance.

Whether or not our Marines pulled Japanese ears in Shanghai, they have certainly turned toward Asia some American eyes which have of late been almost wholly concentrated on the European scene.

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

JUL 10 1940

Washington Post

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Baltimore Sun

JUL 10 1940

JUL 10 1940

THE SHANGHAI INCIDENT— A STRAW IN THE WIND?

It is difficult at this time to assign or deny importance to the incident in the Shanghai International Settlement involving United States marines and Japanese gendarmes. In itself the matter seems trivial; certainly, granted equal good will on both sides, it could be adjusted locally as Secretary Hull and Ambassador Hori-nouchi have suggested it should be.

The fact, however, that the Japanese commander of gendarmes, who previously was reported to have apologized for his men's unannounced entrance into the American defense area, is now making it a point of honor to obtain an apology from the marines' commander complicates the business, gives it a seriousness which it hardly merits, and even suggests that Tokyo may have some thought of using the incident as a means of testing the American attitude or as a prelude to some new move.

If there is any danger in the situation it lies not in the incident but in the nature of the opportunities now offered to Japan in Asia and in the uncertainty of the old brakes upon Nippon's ambitions. The old encroachments upon China and the developments since May of the European war have put French Indo-China, British Hong-kong and the Dutch East Indies all more or less at Japan's mercy.

Tokyo, to be sure, has emphasized that it desires only preservation of the Pacific *status quo*. But the theory of the "new order for East Asia" has given way to formulation of an Asiatic "Monroe Doctrine." The past advances of army and navy units have conveniently established Japan's forces around Canton behind Hong-kong; in Hainan and the Spratly islands between Indo-China and North Borneo, and in the Pakhoi region of southern China. And the diplomats have built up a case against Britain and France on the subject of the shipment of war materials through their territories to Chiang Kai-shek. But most

important of all, Britain's fleet is pinned to home waters and the Mediterranean, Russia seems committed to a Balkan adventure, and the ultimate fate of the home governments of France and Holland has suddenly become quite unpredictable.

On the other hand, there are some matters for which Japan must still have a sharp regard. The conflict in China is still alive in its fourth year, and unquestionably has imposed social, financial and economic strains upon Japan which would have to be reckoned with by Tokyo if it contemplated assuming any new risks. France's present strange position as a kind of German ward may compel Nippon to consider that Berlin has its own plans for the future of French colonies and perhaps would resent any premature action by its own anti-Comintern partner. Finally, there is the United States, which, despite its current preoccupation with the West, continues to keep its battle fleet in the Pacific and still has the power to embargo commodities essential to Japanese industry.

The hopes of Nippon's militarists and navalists, the position of its civilian government, the view of the country's rulers toward the various possible outcomes of the European war all condition its present plans and policies. Japan may hope for an "arrangement" with this country; it may even be tempted to defiance of the Western powers, including ourselves. It is impossible to say. But in any case, the incident in Shanghai and Tokyo's handling of it could be either a straw in the wind or an experiment to determine clearly the mood and intentions of 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

Philadelphia Public Ledger

JUL 11 1940

Japanese "Face-Saving"

When a Japanese "loses face" the cheapest way for him to remedy the matter is to commit suicide. A less painful method of procedure is to insult a white man—or, preferably, slap a white woman.

The Japanese Army has "lost face" in a wholesale manner in China during recent years. A reminder of that fact was the passing of the third anniversary of the China "incident," which the army promised to clear up in three to six months, with a complete conquest and "punishment" of China.

So the army jumped at a chance to make a demonstration against the United States Marines who are guarding a portion of the International Settlement at Shanghai. The marines had arrested 16 Japanese plain-clothes men who were out of bounds and, when they were identified, asked their commander to come and get them—which was done.

Up to this point it was just one of those recurrent annoyances to which the armed forces in Shanghai are accustomed. But the Japanese Army chose to make a sort of incident out of it by charging that the Japanese plain-clothes men had been maltreated by the marines.

The usual anti-Occidental protest meetings and the pasting up of scurrilous posters followed. This is the Japanese Army's way of telling the home folks—and the millions of Chinese witnesses—that it is brave enough to make faces at the armed forces of the United States and get away with it.

Of course, the affair may involve more than sporadic "face-saving." The Japanese Army is sedulous in the collection of "incidents" which may be useful when the time comes to stage an overt attack on the forces and nationals of Western Powers in China. If that is the story, there will be a sequel.

JUL 11 1940

Norfolk Ledger-Dispatch

Japan Creates an "Incident"

Japan seems bent upon magnifying out of all reasonable proportions the seriousness of the incident which occurred in Shanghai on July 7 when sixteen Japanese gendarmes in plain clothes, who had crossed into the American defense sector of the International Settlement during an army parade, were arrested by United States Marines and detained for five hours. Japanese military authorities immediately declared this was an "unfriendly act" on the part of the United States, that the arrested gendarmes were beaten by the Marines, and that the entire Japanese army had been insulted. Now Japanese naval spokesmen are chiming in with verbal attacks on the Marine garrison at Shanghai for "barbarous acts beyond description" inflicted upon the victims of this Marine "brutality."

Colonel DeWitt Peck, the Marine commander, advised that the Japanese military commander in Shanghai had apologized to him for the act of the gendarmes in stepping out of bounds, and that they had then been promptly released from custody. Later the Japanese denied that any apology had been made, and reiterated charges that the arrested men had been brutally treated by the Marines. Colonel Peck in a refresh-

ingly terse statement declared, "It's a lie." Secretary Hull, advised of the controversy, expressed the opinion that it was a local incident that could be handled by the American authorities on the scene.

However, it is apparent the Japanese are not inclined to allow the matter to be strictly localized. Their attitude since the incident and the very character of the incident itself suggests clearly that it was manufactured and carefully staged for the purpose of providing the basis for a quarrel with the United States. Japanese authorities in Shanghai have indicated that "strong protests" will be made to the United States authorities and while no "demands" will be attached to the protests, the right will be reserved to make demands later. All of which points to the probability that the Japanese are at great pains to stir up trouble with this country, to create anti-American sentiment that would justify them in the eyes of their own people, at least, in undertakings involving American interests in Asia. It is easily possible for this "local incident" to be developed into a dangerously explosive situation.

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

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Department of State

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Washington,

July 10, 1940. *A-1*

6 pm

AMEMBASSY,

TOKYO (JAPAN).

This cable was sent in confidential code.
 It should be carefully paraphrased before
 being communicated to anyone. *A-1*

2344 Rush 252

An Associated Press despatch of July 10 from Tokyo

reports that the Foreign Office spokesman said today
 that he expected that the Shanghai incident involving
 American Marines and Japanese Gendarmes would be settled
 locally between the American and Japanese authorities at
 Shanghai. This statement is in line with statements
 which I have made to the press here and it continues to
 be my belief that the situation can be adjusted locally
 on a basis of mutual prudence and reasonableness. The
 effecting of such a local adjustment is, in my opinion,
 rendered more difficult by reason of numerous statements
 of a sensational character which are reported to have
 been made by various Japanese spokesmen at Shanghai and
 to have been carried in various Japanese newspapers at
 that place. I believe that it would be helpful if the
 Japanese Government could see its way clear to issuing
 appropriate instructions to Japanese officials at Shanghai
 which would cause them to use their best efforts toward

Enciphered by *BSA*

Sent by operator *M.*, 19

D. C. R.—No. 80

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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,

discouraging the issuance or publication of statements
of a sensational character. For our part we are in-
structing American officials at Shanghai carefully to
refrain from statements which might be made a pretext
for further sensationalizing of the incident.

Unless you perceive objection, I desire that you
take this matter up with the Foreign Office along the
foregoing lines!

J. H. H.

CR
JUL 10 1940 PM

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J. H. H.
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M. H.

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Enciphered by T20

Sent by operator M., 19

D. C. R.—No. 50

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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 *Gray*
Washington,

July 10, 1940.

AMEMBASSY,

TOKYO. *via Shanghai & N. P.*

255 Info: *Peiping and Chungking.*
At his press conference on July 10, the Secretary

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said, in reply to a request for comment concerning the Shanghai incident, that he is gradually accumulating through various sources statements of American and Japanese private individuals and officials, and he gathers, as previously indicated, that the matter is essentially a local one in its importance and nature and one which could and which it is hoped will be amicably adjusted by the local officials [and probably] the two governments. The Secretary pointed out that the American marines concerned are acting ~~as~~ *to a partial extent* as guards under very specific restrictions and ~~limitations~~ *arrangements* by international agreement. In response to an inquiry whether the Japanese Government in Tokyo has made any representations to the Department through Ambassador Grew, the Secretary said off the record that there have been no communications between the governments at Tokyo and Washington on the subject and that he was not sure whether there have been communications between Japanese and American officials in Shanghai. A correspondent ~~has~~ commented that there

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Enciphered by PSQ

Sent by operator M., 19

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

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Department of State

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Washington,

appears to be
 some difference of opinion between Japanese in Shanghai
 and the Tokyo Government on the question that when calling
 at the Department on July 9 Horiuchi had also said that
 the matter could be settled locally and that on July 10
 the Japanese Commander in Shanghai is quoted as saying the
 question is not a local one. The Secretary remarked that
 that is a matter which the future will have to take care of.
*Sent to Tokyo via Shanghai. Repeated
 to Peking and Chungking.*

Hull

SKH

JUL 10 1940 PM

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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 D. Quisenberry NARS, Date 12-18-75

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Department of State

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gray

Washington,

July 11, 1940
2/10m

TOKYO (JAPAN) VIA SHANGHAI. *2/10m*

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

261
 At his press conference on July 11 the Secretary said,
 in reply to an inquiry whether there is any new development
 in the situation at Shanghai, that he had heard nothing
 especially new this morning. A correspondent asked whether
 it appeared that the situation would be a local one. The
 Secretary said he would rather not comment but added that
 he knew of nothing to the contrary.

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5/11/40

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Enciphered by _____

Sent by operator _____ M., _____, 19____

(NOT FOR THE PRESS)
(FOR DEPARTMENTAL USE ONLY)

Department of State
Division of Current Information No. 123

MEMORANDUM OF THE PRESS CONFERENCE, THURSDAY, JULY 11, 1940

At the press conference today, Secretary Hall said:

Have you any questions?

Q. Mr. Secretary, there is a story from London today that the British had approached the United States in regard to future arrangements to keep surpluses out of the axis powers and there has been a preliminary reply since by this Government. Can you say anything about that?

A. (to Mr. McDermott) Did you give them the data?

A. Yes, sir, some of them.

A. I talked with Mr. McDermott before noon. Somebody sent in that question and I asked him to give you certain data. The substance is this: That every week one or more nations somewhere are suggesting ideas or plans or purposes of objectives for consideration or intention on the part of some other country or countries. We have had no discussion with Britain or anybody, however, on the question such as you refer to.

Q. Mr. Secretary, is there anything on the question of child refugees from England?

A. I will ask Mr. McDermott to give you some data on that.

Q. Mr. Secretary, is there any new development in connection with the situation in Shanghai?

A. I have heard nothing especially new this morning.

Q. Does it look as though the situation will be a local one, Mr. Secretary?

A. I would rather not comment. I don't know anything to the contrary, however.

Q. Mr. Secretary, is there any development in the situation at Martinique?

A.

- 2 -

A. That matter is developing.

Q. Mr. Secretary, have you had an occasion or opportunity yet to examine the contract between the Mexican Government and the Sinclair Oil interests to ascertain whether there is any truth in the charge by other oil companies that Sinclair will be paid with expropriated oil?

A. I have heard that question discussed about different oil companies who have claims down there about settlements but we have not taken any steps, however, in dealing with the matter.

Q. Have you had occasion to examine the contract?

A. No, I have not examined the contract. I only look at the Government's side of it as it relates to quotas under the Venezuelan trade agreement.

Q. Mr. Secretary, some press despatches from Central America, Costa Rica, Guatemala and Managua Nicaragua state that the German diplomatic representatives had warned Central American nations against certain acts at the Habana conference. Are you familiar with those warnings and could you comment on them?

A. I have heard something about the despatches of that nature. The Habana conference is an inter-American conference to be held by agreement of the American Nations for the purpose of considering matters relating solely to the American Republics and American nations. This apparently is a species of intimidation of nations whose sovereignty and freedom of action and integrity are entitled to the fullest respect by every other country and there is no theory on which any country should attack such sovereignty and freedom of action.

Q. Mr. Secretary, we were told at the White House this morning that the regular Cabinet meeting had been moved forward to today because a large number of the Cabinet members

wished

- 2 -

wished to go to Chicago. Could we ask if you are going?

A. I have a ticket to Habana. Out in the country when you buy a railroad ticket, you feel obliged to travel on it.

A. Sometimes they have stop-overs though.

A. No, seriously, I am assuming that I will go as I have been scheduled to Habana.

A. Mr. Secretary, there is a story emanating from Washington, published in certain Latin-American nations, that the United States Administration had decided to finance from the two hundred million dollar discretionary fund for rearmament ^{AIRWAYS} in the expansion of Pan American ~~air~~ facilities ~~for~~ strategic parts of Latin-America. Could you comment on that?

A. I think you would want to talk with somebody in the Army who is immediately connected with those phases.

A. Is the list of those who are going to Habana with you made up?

A. We are making it up.

A. Mr. Secretary, would you care to comment on the Brazilian Foreign Minister's statement of yesterday in which he said that Brazil affirmed favored a ^{mandate or} ~~protection~~ protectorate over foreign possessions in this Hemisphere in which neighboring countries would have the supervisory powers?

A. I always have respect for the views of the Ambassador. I would not undertake offhand to go into the matter at this time.

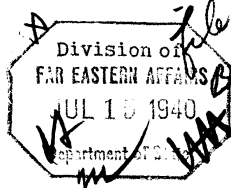
M. J. McDermott.

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

TELEGRAM RECEIVED

FROM

JR



GRAY

Shanghai via N. R.

Dated July 15, 1940

Rec'd 12:30 p.m.

Secretary of State,
Washington.

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

640, July 15, 9 p.m.

Incident of July 7. Colonel Peck and General Miura conferred today and will confer tomorrow regarding a joint statement. I learned from private source that the Japanese feel the American side is under definite instructions to reach a settlement. This may account for their strong attitude in the negotiations. In a conversation with Consul General Miura this afternoon I said to him that I could tell him that my instructions were to reach a "reasonable" settlement.

Repeated to Chungking and Peiping, copy by air mail to Tokyo.

WSB

BUTRICK

793.94/16048

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

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Department of State

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Washington,
 July 12, 1940

NAVAL RADIO

Charge to AMEMBASSY,
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TOKYO (JAPAN) VIA SHANGHAI. *via N. R.*

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

267 THIRTEENTH

For your information, as indicative of the trend of

American editorial opinion in regard to the arrest by American
 marines of sixteen Japanese gendarmes in the American Sector
 of the International Settlement at Shanghai July 7, there
 are briefly summarized below ~~editorial comment~~
 on this subject, ~~which~~ has come to the Department's attention *W*
 as follows:

The Washington Star, July 9, considers that QUOTE from
 all indications UNQUOTE the Japanese army is endeavoring to
 manufacture a major grievance against the United States upon
 the basis of what appear to be QUOTE outright fabrications
 UNQUOTE. This paper infers from the Japanese army statement
 that the arrests were made QUOTE in an insulting manner in
 the presence of large Chinese crowds UNQUOTE that extravagant
 Japanese protests are in the nature of a face-saving move
 but adds that the possibility should not be overlooked that
 the more aggressive elements in Japan have decided that this
 is an appropriate time to force a showdown in Asia with the
 United States.

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Sent by operator _____ M., _____, 19____

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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

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Department of State

-2-

Washington,

The New York Herald Tribune, July 10, describes the
 QUOTE hullabaloo which the Japanese Army agitators UNQUOTE
 are raising as being for propaganda purposes and states
 that one ~~standing~~ reason for such demonstrations is QUOTE
 the army's grave need of evidence to submit to the home
 folks that it is doing something in China in the service of
 Japan's honor and is not just wasting Japan's scanty sub-
 stance. . . . It is hoped that the home folks will be so
 proud to know that their soldiers can make hostile demonstra-
 tions against Americans with impunity that they will forget
 the army's expensive delay in polishing off this China
 incident UNQUOTE.

According to the Washington Post, July 10, as the
 arrested men were released after a few hours of detention
 there would be no reason for paying attention to the episode
 if it were not for the QUOTE apparent desire of the Japanese
 military to magnify it into an international incident UNQUOTE.
 In this editorial mention is made of the record of the marines
 for excellent discipline and admirable restraint under
 provocation and the accusation that the marines pulled the
 ears of the gendarmes is described as being improbable and
 slightly ridiculous. It is added that the incident has QUOTE

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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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Department of State

-3-

Washington,

certainly turned toward Asia some American eyes which have
 of late been almost wholly concentrated on the European
 scene UNQUOTE.

It is pointed out in the Baltimore Sun, July 10, that
 in itself the matter seems trivial and that granted equal
 good will on both sides it could be adjusted locally as
 suggested by the Secretary and Ambassador Horinouchi; but
 the Japanese request for an apology suggests that Tokyo
 may have some thought of using the incident as a means of
 testing the American attitude or as a prelude to some new
 move. It is also pointed out that the conflict in China is
 still alive in its fourth year and has imposed strains upon
 Japan which would have to be reckoned with by Tokyo if any
 new risks were assumed; that France's present position as a
 German ward may compel Japan to consider that Berlin has its
 own plans for the future of French colonies; and that the
 United States continues to keep its battle fleet in the
 Pacific and still has the power to embargo commodities essential
 to Japanese industry.

In the Philadelphia Public Ledger, July 11, it is stated
 that the QUOTE Japanese army has lost face in a wholesale
 manner in China during recent years UNQUOTE and so the army
 has jumped at a chance to make a demonstration against the

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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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Department of State

-4-

Washington,

Charge to United States marines with the QUOTE usual anti-Occidental
 S protest meetings and the pasting up of scurrilous posters
 UNQUOTE and that QUOTE the Japanese army is sedulous in the
 collection of SUBQUOTE incidents END SUBQUOTE which may be
 useful when the time comes to stage an overt attack on the
 forces and nationals of western powers in China. If that is
 the story, there will be a sequel UNQUOTE.

In the Norfolk Ledger-Dispatch, July 11, it is stated
 that the attitude of the Japanese since the incident and the
 character of the incident itself suggest that it was manufactured
 and carefully staged for the purpose of providing a basis for
 a quarrel with the United States, all of which points to the
 probability that the Japanese are at great pains to stir up
 trouble with this country and to create anti-American senti-
 ment which would justify them in the eyes of their own people
 in undertakings involving American interests in Asia.

Sent to Tokyo via Shanghai. Repeated to Chungking and
 Peiping.

CR KCH
 JUL 13 1940 AM

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Enciphered by _____

Sent by operator _____ M., _____, 19____

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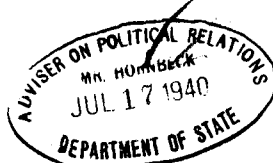
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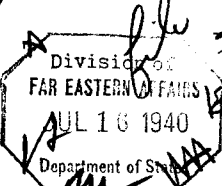
GRAY

FROM Shanghai via N. R.
Dated July 16, 1940

Rec'd 9:08 a.m.



Secretary of State
Washington



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

644, July 16, 1 p.m.

Incident of July 7.

There follows the text of a draft joint statement which was prepared on July 14th by Colonel Peck with the assistance of Rear-Admiral Glassford and myself:

"Major-General Miura, commanding the Japanese gendarmerie in Shanghai, regrets that inadvertently Japanese gendarmes were operating in the American sector on July 7, 1940, without proper authorization, and gives assurance that the incident will not recur.

Colonel Peck, commanding the Fourth Marines, regrets that pursuant to measures taken to safeguard the Japanese Commander-in-Chief on that occasion, and under the unusual circumstances then obtaining, it was necessary to forcibly detain members of the Japanese gendarmerie, and that some members of the gendarmerie were unavoidably slightly injured.

With

793.94/16049

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893.102 8

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

JI-2-#644, July 16, 1 p.m. from Shanghai via N. R.

With reference to the detailed report submitted by Major-General Miura as to alleged undue force employed and maltreatment of the detained gendarmes, Colonel Peck states that he is conducting a careful investigation. If the investigation discloses that undue force was used or that the detained gendarmes were maltreated, appropriate disciplinary measures will be taken and the Japanese authorities duly notified.

Major-General Miura and Colonel Peck each expresses high admiration for the armed forces of the other's country. Both agree that the incident of July 7th is closed."

A high ranking Japanese naval officer on the morning of July 14 suggested to Glassford the advisability of settling the incident as soon as possible. The draft joint statement was thereupon drawn up and handed the Japanese officer at 2 p.m. that day. It was considered by the American side as very fair and reasonable and the

(END SECTION ONE)

BUTRICK

TFV

TELEGRAM RECEIVED

AS

GRAY

FROM Shanghai via N. R.

Dated July 16, 1940

Rec'd 9:18 a.m.

Secretary of State,
Washington.

644, July 16, 1 p.m. (SECTION TWO).

fact that it recorded that an investigation is being carried out by Colonel Peck informing the Consul General that no intention exists of glossing over the Japanese charges of rough treatment.

On the morning of the 15th Major-General Miura so amended the statement as to make it utterly unacceptable by the inclusion of such phrases "Colonel Peck unconditionally freely and frankly apologizes". At one point in the negotiations one of General Miura's staff indicated to Colonel Peck that if they did not settle the matter soon there might be serious developments, whereupon Colonel Peck informs me that he paused long enough to make it clear that he was not negotiating under duress. The conversations and negotiations have thus far been conducted in a friendly manner and many proposals and counter-proposals of settlement have been considered, the stumbling block usually being the desire to wring from Colonel Peck an apology "for the affront to the Emperor's army" or some similar apology apparently designed to meet
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

-2- #644, July 16, 1 p.m. (SECTION TWO) from Shanghai.
the demands of the incited Japanese army-controlled
press.

Colonel Peck strongly feels that the facts in the
case do not warrant any such apology. If the detailed
marine re-investigation, which it is expected will be
completed on Friday or Saturday of this week, warrants
an expression of regret, Colonel Peck naturally will not
hesitate to make suitable amends.

I have at no time given any statement to the press
in regard to this incident and I feel that the American
side has conducted itself in a fair and reasonable manner.

Sent to the Department. Repeated to Chungking,
Peiping, Tokyo and Tsingtao for the information of
Commander-in-Chief. (END OF MESSAGE)

BUTRICK

TFV

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

See 893.00PR/169

793.94/16049

TELEGRAM RECEIVED

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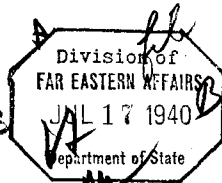
FROM

Chungking via NR

Dated July 16, 1940

Rec'd 3:25 p.m.

Secretary of State,
Washington.



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

July 17. 8/4

346, July 16 5 p.m.

Japanese planes numbering about 53 and flying in two groups bombed Chungking today following a week's inactivity. An investigation of the bombed areas comprising the lower central and western areas of the city revealed slight loss of life and property damage. All Americans are believed safe and no (repeat no) reports have been received of damage to or destruction of American property. The right element of the second group of invading planes flew in a course from south to north almost directly above the right or south bank of the Yangtze River starting from Haitangchi. One bomb exploded in the river about 150 yards out from my residence and about 300 yards upriver from the USS TUTUILA.

Sent to the Department. Repeated to Peiping, Hankow, Shanghai. Shanghai please relay to Tokyo.

JOHNSON

TFV

793.94/16050

F/FG

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

CROSS-REFERENCE FILE

NOTE

SUBJECT

Japanese activities in the Hong Kong - Lappa area.

"Demands" on Commissioners of Chinese Maritime Customs at these two points to give into Japanese hands all Chinese customs stations, alleging military control warrants same. Number of troops on Hong Kong border reduced; bombing of customs stations on Mira Bay continues.

For the original paper from which reference is taken

See Tel #266; 10am
(Despatch, telegram, instruction, letter, etc.)

Dated July 16, 1940 From Hong Kong (Southard)
To

File No. 693.002/1031

793.94 / 16051

793.94

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JT

GRAY

FROM

SHANGHAI VIA N.R.

Dated July 16, 1940

Rec'd 3:47 p.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS

JUL 17 1940

Department of State

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

July 17. 1940

642, July 16, 11 a.m.

Reference incident involving American marines and
Japanese gendarmes on July 7th.

A minor brawl occurred between several marines and
Japanese civilians in a cafe on the eve of July 14.
The Japanese spokesman is reported to have stated that
the Japanese authorities were not taking a serious view
of the matter. The brawl is not considered important but
it is reported in order that the Department may be fully
informed.

Sent to the Department. Repeated to Chungking and
Peiping, by air mail to Tokyo.

NPL

BUTRICK

793.94/16052

JUL 24 1940

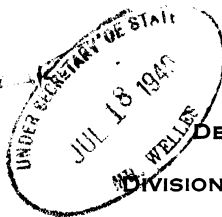
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton D. Quastler NARS, Date 12-18-75

209



DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS



SA Emery
ROM
JWB
MMH

PATN

Reference Shanghai's 646, July 16, 3 p.m., and previous telegrams in regard to the controversy arising from the arrest by American marines at Shanghai of sixteen Japanese gendarmes in plain clothes on July 7, 1940.

The first recent incident involving Japanese and Americans was that referred to above, resulting from Japanese action in sending armed, disguised gendarmes into the American defense sector. There followed on July 14 a brawl in a Shanghai cafe (Shanghai's 642, July 16, 11 a.m.) involving American marines and some Japanese civilians. On July 16 in Shanghai newspapers reported an attempt (Shanghai's 641, July 16, 10 a.m.) by the Wang Ching-wei regime to cause the deportation from Shanghai of six American citizens. This was followed by the throwing of bombs (Shanghai's 643, July 16, noon) at a Chinese language newspaper in which one of the Americans whose deportation was sought was interested. All of the six Americans mentioned are known to be "pro-Chinese".

To one who for some years watched Japanese activities in Manchuria and who has followed

the

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

-2-

the British-Japanese controversy at Tientsin, the activities described in the preceding paragraph fall into a familiar pattern. It seems obvious that the Japanese military have decided upon a campaign of annoyance and provocation at Shanghai aimed at Americans and at American interests. It is reasonable to assume that the object of such campaign will be to force the United States to abandon its assistance to and encouragement of the Chinese Government at Chungking and to abandon its opposition to "the new order in East Asia". It is also reasonable to assume that the Japanese military have decided to undertake such a campaign because of an estimate that the United States is so situated with respect to possible events in Europe that it is not in position to retaliate against Japan. What the local American officials at Shanghai may do with respect to particular incidents will not affect the attitude of the Japanese and their agents so long as the general situation remains as it is. It may be expected that incidents involving Japanese and their agents on the one hand and Americans on the other will continue to occur and will become aggravated in character until the situation for American officials and American citizens at Shanghai is very difficult. Action by American officials or by the Government of the United States designed to placate the Japanese will only make the situation worse.

In

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

-3-

In Manchuria it was interesting to observe that provocative action by the Japanese against Soviet Russia systematically increased and subsided as the Japanese estimate of the weakness or strength of the Russian position varied. The Russians, when they were in position to act, successfully met such situations by taking some retaliatory action and, when the Japanese protested, by stating the Russian complaint and by saying that unless the situation complained of was improved, the Russian authorities would take further retaliatory action step by step with the Japanese. Such action usually resulted in a marked improvement in Japanese-Russian relations.

While the situation with respect to Europe does not perhaps, at the present moment, permit adoption by the Government of the United States of such a program as that mentioned in the preceding paragraph, some more indirect method of exerting pressure on Japan may be available. Under this head would fall the placing of restrictions on the export of scrap iron and scrap steel on the basis of our own defense needs.

In any event, if no positive action is deemed practicable at this time, it is felt that there should by all means be avoided any action or gesture by American authorities that could

be

DECLASSIFIED: E.O. 11652, 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 -

be construed by the Japanese as yielding. We should avoid, short of the point of outright rudeness, any gesture that the Japanese might consider as designed to gain their favor. Our considered policy should be to make the Japanese feel that the onus is on them to avoid, by action and not by words, further exacerbation of American-Japanese relations. This in effect for the present would mean "sitting tight" under continued provocation.

WAA
FD:Adams:JHP

DECLASSIFIED: E.O. 11652, 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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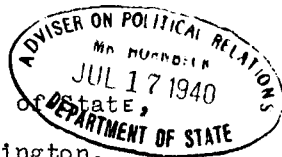
GRAY

FROM Shanghai via N.R.

Dated July 16, 1940

Rec'd 3:45 p.m.

Secretary of State,
Washington.



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

July 17. 299.

Tel. to Shanghai
July 18.

646, July 16, 3 p.m.

Incident of July 7th.

With (*) to my 644, July 16, 1 p.m., following is a

draft of a joint statement submitted to Colonel Peck by
Major-General Miura in the course of their conversation
this morning:

"One. Major-General S. Miura, Commander of the Japanese
gendarmerie forces in Shanghai expressed his regrets for
the fact that his men were despatched to the American
defense sector without, ^{by mistake,} making previous arrangement with
the American 4th Marines, on July 7th, 1940.

Two. Major-General Miura states the following as
facts. At the time when special precautionary measures
were taken for the safety of the Commander-in-Chief of
the Japanese expeditionary forces in China, on 7th July,
members of the American Marine forces not only treated the
members of the Japanese gendarmerie forces in a manner
hardly justifiable under the circumstances, but also as-
saulted them, while they were being detained, as a result
of which a number of these were injured.

Three.

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-2- #646, July 16, 3 p.m., from Shanghai via N.R.

Three. Colonel Peck, in his desire to close the incident, accepting the above statement of Major-General Miura as groundless prior to the end of the investigation now being conducted by the American authorities, willingly tenders his frank apologies for the unnecessary affront given by his men to the members of the gendarmerie forces of a friendly nation.

Four. Colonel Peck promises that he will take appropriate disciplinary measures, upon completion of the investigation by the American authorities, against his men who assaulted the members of the Japanese gendarmerie forces and that he will inform the Japanese authorities of the measures taken."

Naturally Colonel Peck could not agree to sign such an unreasonable statement.

Sent to the Department. Repeated to Chungking, Peiping, Tsingtau for Commander-in-Chief.

BUTRICK

JRL

(*) apparent omission

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

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1940 JUL 18 AM 9 16

Washington, July 17, 1940.

AMERICAN CONSUL,

SHANGHAI (CHINA).

INFO: AMEMBASSY, CHUNGKING (CHINA).
AMEMBASSY, PEIPING (CHINA).
AMERICAN CONSUL, TSINGTAO (CHINA).

317

One. Your 644, July 16, 1 p.m. While the Department continues to regard this matter as one for local adjustment, it desires to observe for your information that on the basis of the facts in its possession it concurs in the view expressed in your telegram under reference that a statement along the lines of the draft quoted in the first section of your telegram is QUOTE very fair and reasonable UNQUOTE.

Two. Your 646, July 16, 3 p.m. Department concurs in your view expressed that QUOTE naturally Colonel Peck could not agree to sign such an unreasonable statement UNQUOTE.

Department and Navy Department perceive no repeat no warrant for demands for QUOTE apologies UNQUOTE such as underlie and are formulated in the Miura draft and perceive no repeat no reason of expediency which would counsel a yielding to any such demand.

Sent to Shanghai. Repeated to Chungking, Peiping and Tsingtao. Shanghai please repeat to Tokyo.

793.94/16053

Enciphered by

Sent by Operator

D. C. No. 50 GA

FE:GA:HES

PA/H:SKH

1-140 U.S. GOVERNMENT PRINTING OFFICE

PA/H

793.94/16053

F/EG

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

PREPARING OFFICE
WILL INDICATE WHETHER

TELEGRAM SENT 211

TO BE TRANSMITTED
CONFIDENTIAL CODE
X NONCONFIDENTIAL CODE X
PARTIAL
PLAIN

Collect (Full rate
Day letter
Night letter

Department of State

Charge Department:

Full rate
Day letter
Night letter

Washington,

Gray
NAVAL RADIO

July 17, 1940

Charge to AMERICAN CONSUL,
\$

SHANGHAI (CHINA).

INFO: AMEMBASSY, CHUNGKING (CHINA).
AMEMBASSY, PEIPING (CHINA).
AMERICAN CONSUL, TSINGTAO (CHINA).

*Not to be sent
See new draft*

One. Your 644, July 16, 1 p.m. While the Department continues to regard this matter as one for local adjustment, it desires to observe for your information that on the basis of the facts in its possession it concurs in the view expressed in your telegram under reference that a statement along the lines of the draft quoted in the first section of your telegram is QUOTE very fair and reasonable UNQUOTE.

Two. Your 646, July 16, 3 p.m. Department concurs in *your* view expressed that QUOTE naturally Colonel Peck could not agree to sign such an unreasonable statement UNQUOTE.

Department and Navy Department perceive no warrant for a demand by the Japanese for QUOTE apologies UNQUOTE and perceive no reason for any yielding by Colonel Peck to such a demand.

Sent to Shanghai. Repeated to Chungking, Peiping and Tsingtao. Shanghai please repeat to Tokyo.

793.94/16053

GA:
FE:GA:
PA/H:SKH:HJN

Enciphered by

Sent by operator M., 19

TELEGRAM RECEIVED

FROM

AS



GRAY

Shanghai via N. R.

Dated July 17, 1940

Rec'd 6:50 a.m.

Secretary of State,

Washington.

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

650, July 17, noon.

Reference my 646, July 16, 3 p.m., and previous.

General Miura yesterday afternoon informed Colonel Peck that "I agree with you to settle the incident after the completion of your investigations in order that you may clarify your recognition of facts".

Repeated to Chungking, Peiping and Tsingtao for the information of Commander-in-Chief.

BUTRICK

RR

793.94 / 16054

F/FG

793.94
note
793.102 S

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

TELEGRAM RECEIVED

FROM

JR



GRAY

Foochow via N. R.

Dated July 18, 1940

Rec'd 4:30 a.m.

Secretary of State

Washington.

COPIES SENT TO
O.N.I. AND M.I.D.
July 18, 1940

July 18, 7 p.m.

793.94

Twenty or more Japanese planes are reported to have bombed Hankong (San Chiang Kou), Foochow's only remaining port, this afternoon. Air alarms were on all afternoon, other Japanese aerial activity in this area also, but no planes appeared over Foochow and no further reports have as yet been received.

Sent to Peiping. Repeated to Department and Chungking.

WARD

TFV

793.94/16055

F/FG

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

TELEGRAM RECEIVED

RDS

GRAY

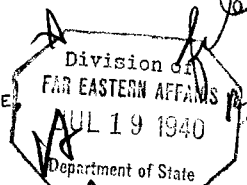
FROM

Shanghai via N.R.

Dated July 18, 1940

Rec'd 5:57 p.m.

Secretary of State
Washington.



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

July 19, 1940

653, July 18, 6 p.m.

Reference my 650, July 17, noon and previous.

3,000 Japanese are reported by the press to have attended a meeting held last night in Hong Kong to denounce "American policy, American marines and American interference in Asia". Two resolutions are reported to have been passed, ^{one} ~~the~~ inviting the Japanese army to make public the negotiations between General Miura and Colonel Peck, and to make clear to the American marines the responsibility for the July 7 incident. The second resolution is reported to read: "Should the Marines fail to express their sincerity in the matter, the Japanese military authorities should demand the disarming of the United States Marines in Shanghai."

At press conference yesterday the spokesman in Shanghai of the Japanese Embassy is reported to have alluded to telegrams concerning the incident sent by Americans in Manila to the Secretary of State and to Colonel Peck, and to have stated: "such a decision as was adopted at Manila will

793.94/16056

F/FG

793.94
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one
note

-2- #653, July 18, 6 p.m., from Shanghai, via N.R.

will not only contribute nothing to a settlement of the case, but also, we are afraid, make a settlement more difficult."

A meeting concerning the incident is reported by the press to have been held by the Japanese residents of Hanchow. There is also a press report that representatives of the Japanese young men's associations of Hangchow, Hankow, Kiukiang, Shanghai and Nanking will meet to discuss the incident. No action of any kind has been taken by any American organization here other than that mentioned in my 635, July 13, 7 p.m.

Sent to the Department. Repeated to Chungking, Peiping. By airmail to Tokyo.

BUTRICK

EMB

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

TELEGRAM RECEIVED

RDS

GRAY

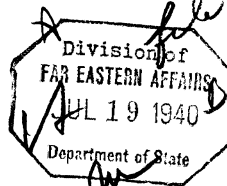
FROM

Shanghai via N.R.

Dated July 18, 1940

Rec'd 6 p.m.

Secretary of State,
Washington.



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

July 19. 1940

652, July 18, 3 p.m.

FROM MILITARY ATTACHE.

In extension of Admiral Shimada's proclamation of July 15th Japanese report naval operations July 17th in vicinity of Changhai, port of entry for Ningpo and on Fukien coast about forty miles north of Amoy. At Changhai Japanese air and naval units bombarded coastal forts protecting boom across river to Ningpo. Landings were made and occupation of Mount Pai Chi and of Chang Tai Tsui are claimed. Japanese army units also reported active at Hsiao Hsing and Fu Yang in Hangchow area. In Fukien Japanese bombarded Chuan Chow, effected a landing at Tsung Wo and claim Yung Ning occupied. These operations will effectively stop steam traffic to Ningpo, Wenchow and other ports for the time being. Chinese circles say this shipping has been potent source of revenue for local Japanese, and expect naval pressure lifted in about two weeks.

Please inform War Department.

Sent to the Department. Repeated to Chungking and Peiping. By air mail to Tokyo.

EMB

BUTRICK

793.94/16057

JUL 20 1940

FILED F/FG

793. 94/16058

F/FG

TELEGRAM

76wuh 48 VIA RCA.

The White House
Washington

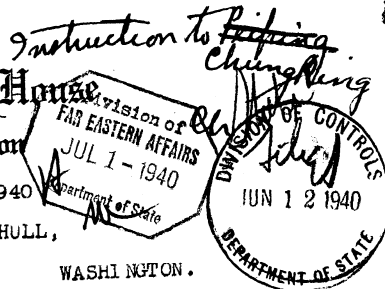
Chengtu, May 31, 1940

NLT PRESIDENT ROOSEVELT, SECRETARY HULL,

WASHINGTON.

Four Chinese presidents Nanking Cheeloo Ginling West China
universities Chengtu protest in name humanity culture against
ruthless Japanese bombings Chungking, civilian, cultural areas.
Deliberate attacks Chungking and Ruhtan universities, killing
teachers, students. Implore you stop war supplies to Japan for
destruction China.

Lincoln.D. Sang.



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

F.W. 793.94/16058

F/FG

FE

TELEGRAM

7Ewuh 74 via RCA

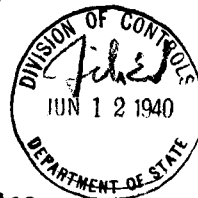
Instruction to Chungking
Stet
The White House
Washington

Chengtu, May 31, 1940

NLT PRESIDENT ROOSEVELT, SECRETARY HULL,

WASHINGTON.

Division of
Far Eastern Affairs
JUL 1 - 1940
Department of State



Forty American Chengtu representing five universities
ten missions, again urge decisive American action for peace in Far
East. Recent intense bombings Chungking, thousand civilian casual-
ties, made possible by American oil, iron. Universities, schools
attacked, Chungking University, fifty bombs, Fuhtan University also
victim, teachers, students killed. Cultural constructive enterprises
Gree, China, again seriously threatened. We trust America will
help China win freedom, not help Japan destroy China. ROY.

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

FW 793.94/16058

F/FG

TELEGRAM

4WUC VIA RCA

2:20am

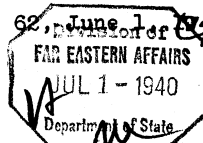
The White House

Washington

F

CHUNGKING, 62, June 1, 1940.

NLT THE PRESIDENT
STATE SECRETARY HULL:
SENATOR PITTMAN:
REPRESENTATIVE BLUM.



Latest indiscriminate bombing Chungking by large groups Japanese war planes caused appalling loss civilian life, property destruction several well known schools. Knowing American people strongly condemn such ruthless war upon non-combatants we appeal for immediate stoppage of American oil, iron and other war supplies for Japan. ~~Shan~~

Chen Minshu, Chairman, People's Foreign Relations Association.

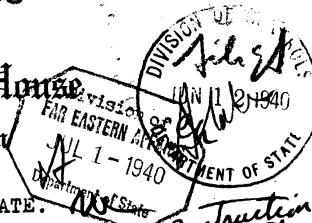
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton C. Shusterman NARS, Date 12-18-75

FW- 793.94/16058

F/FG

TELEGRAM

The White House
Washington



AA249WU.RA,78-

Chungking, June 1, 1940

PRESIDENT ROOSEVELT, SECRETARY OF STATE.

As prelude further aggrandizement in Pacific region Japanese have intensified aerial bombing of cultural institutions in Chungking and environs. We trust it is within your power to bring to a stop such deplorable atrocities by enforcing immediate and effective arms and war materials embargo against Japan. The cause of humanity will be incalculably benefited by your momentous decision.

Chinese American Institute of Cultural Relations, Signed
KinnWei Shaw, General Secretary

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

219

July 15, 1940

To the American Ambassador,
Chungking.

The Secretary of State encloses copies of telegrams, as listed below, which have been referred to the Department of State from the White House and requests that the Ambassador, in his discretion, make appropriate acknowledgment of these telegrams.

793.94/16058

Enclosures:

1. From Lincoln D. Sang, May 31, 1940.
2. From Mr. Roy, May 31, 1940.
3. From Chen Min-shu, June 1, 1940.
4. From Kinn Wei Shaw, June 1, 1940.

GR ✓
JUL 15 PM

A true copy of the signed original.
F/FG

g.c.
FE:EGC:HLB
7/12/40

GA NEW
FE
7/12/40

✓
Co. MM

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

212 TELEGRAM RECEIVED

JT

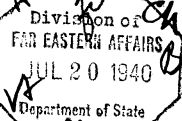
This telegram must be closely paraphrased before being communicated FROM to anyone., (A)

SHANGHAI VIA N.R.

Dated July 19, 1940

Rec'd 2:40 p.m.

Secretary of State, Washington.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE
July 22 1940

657, July 19, 1 p.m.

The deterioration, from an American point of view, of the situation in Shanghai, as indicated in this Consulate General's political report for June and in telegrams sent subsequently, continues. The declining attitudes of the British and French Governments vis a vis Japan and the weakened attitude of the Shanghai Municipal Council have contributed to the increasing demands on the local authorities and intensification of anti-foreign propaganda campaigns of the Japanese and the regimes under their control.

The consensus of opinion of competent Occidental observers appears to be that the Japanese do not (repeat not) intend at present to seize the International Settlement or the French concession but that they will continue step by step to increase their demands with the intention of attaining a dominating influence in these foreign areas. One instance of the extension of Japanese control into the Settlement south of Soochow Creek

was

793.94/16059

F/FG

213

2- No. 657, July 19, 1 p.m., from Shanghai

was brought out in my 634, July 13, 1 p.m. While there may appear justification in that case the underlying motive was doubtless a desire to establish the position of the area as a definite Japanese military occupation as opposed to the idea of a neutral area (south of Soochow Creek) which was the attitude adopted by Mr. Gause during hostilities here in 1937 and which since has been held constantly in mind by this office. Mr. Iokamoto, who was coopted to the Shanghai Municipal Council in the place of the elected Japanese councilor who "resigned" is a prominent exponent of the Japanese position in municipal affairs. He was formerly Japanese Consul General at Singapore and is known to have intimate contacts with the Japanese military.

The opinion expressed in the first paragraph of this telegram is supported by the following developments most of which have been previously reported: (one) the turning over of the Chinese land records formerly in the custody of the Municipal Council; (two) the withdrawal of French forces from the "special military zone" west of the French concession; (three) increased "cooperation" between the French municipal police and the Shanghai police with the Japanese military; (four) violent denunciations of the United States and to a lesser extent

recently

214

-3- No. 657, July 19, 1 p.m., from Shanghai

recently of Great Britain in local newspapers controlled by the Japanese or the Wang Ching-Wei regime; (five) articles in the newspapers demanding the abolition of extraterritoriality and the retrocession of the foreign areas; (six) the unconciliatory attitude of the Japanese military in regard to the July 7 incident involving United States marines and Japanese gendarmes; (seven) statements to members of my staff in private conversation of the Commissioner and Secretary General of the Shanghai Municipal Council and high ranking officers of the Shanghai municipal police indicating that they feel that without strong foreign support they can not attempt to withstand Japanese demands; (eight) the publication by the Wang Ching-Wei news agency of the names of 87 prominent Chinese residing in Shanghai to be arrested and of six Americans and one Briton to be deported.

Sent to the Department, repeated to Chungking, Peiping, code text by air mail to Tokyo.

BUTRICK

CSB

CONFIDENTIAL

Confidential

PARAPHRASE

215

A telegram (no. 657) of July 19, 1940, from the American Consulate General at Shanghai reads substantially as follows:

From the point of view of Americans the situation in Shanghai is continuing to deteriorate. The intensification of the anti-foreign propaganda campaigns carried on by the Japanese and the Japanese-controlled régimes and the increasing demands on the Shanghai authorities have been helped by the weakening attitude of France and Great Britain vis-à-vis Japan and the Shanghai Municipal Council's weakened attitude. It seems that competent foreign observers agree in the opinion that it is not at the present time the intention of the Japanese to seize the French Concession or the International Settlement but to keep on little by little increasing their demands with the object of obtaining in these foreign areas a controlling influence. An instance of the extension into the Settlement south of Soochow Creek of Japanese control was the compliance recently of the Municipal Council with a Japanese request that municipal police accompanied by Japanese gendarmes search three Chinese factories which have been making cotton web belting allegedly for the Chinese army. The goods were seized and placed under a guard on the premises. Although in that case there may seem to have been justification, doubtless the underlying motive was a desire to establish the

CONFIDENTIAL

-2-

the area in the position of one definitely under Japanese military occupation as opposed to the attitude (adopted in 1939 and since held in mind by the American Consulate General) of a neutral area south of Soochow Creek. An outstanding exponent of the Japanese position in municipal matters is Mr. I. Okamoto (known to be intimately connected with the Japanese military) who was selected as a member of the Shanghai Municipal Council to take the place of the Japanese councilor who was elected and who resigned. Okamoto was Japanese Consul General at Singapore formerly.

The opinion that the Shanghai situation is deteriorating is upheld by the following developments (most of which have been reported already): (a) withdrawal from the special military zone to the west of the French Concession of French troops; (b) turning over of Chinese land records which heretofore were in the Municipal Council's custody; (c) increased "cooperation" of the Shanghai police and the French municipal police with the Japanese military; (d) newspaper articles demanding that foreign areas be retroceded and that extraterritoriality be abolished; (e) publication by the news agency of Wang Ching-wei of the names of one Briton and six Americans to be deported and 87 outstanding Chinese residents of Shanghai to be arrested; (f) vehement denunciations in Shanghai newspapers controlled by the Wang Ching-wei régime or by Japanese of the United States

7 1 2 8

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

-3-

States and lately to a lesser extent of Great Britain;
(g) the Japanese military's unfriendly attitude concerning the incident of July 7 in which Japanese gendarmes and American marines were involved; and (h) statements of the Commissioner and Secretary General of the Municipal Council and of high ranking officers of the Municipal police during the course of private conversation with members of the staff of the American Consulate General showing that these Municipal Council and Municipal police officers feel that they cannot try to withstand demands from the Japanese unless they receive strong foreign support.

793.94/16059

egc.
FE:EGC:HJN
7/22

HK
FE

TELEGRAM RECEIVED

JI

FROM

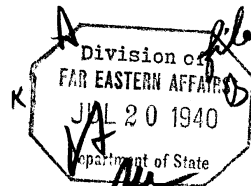
This telegram must be closely paraphrased before being communicated to any one. (br)

Hankow via N. R.

Dated July 19, 1940

Rec'd 4 a.m. 20th

Secretary of State
Washington



*7/20
shown to
M.D.
and
ReK*

July 19, 3 p.m.

About 10,000 reinforcements are estimated to have arrived during the past fortnight. There have been rumors current of a drive on Changsha but a decision on this score will probably await the outcome of current formulation of policy at Tokyo. Further troops, it is believed, must be sent here or to Nanchang before such a venture can be undertaken with hope of success.

Navy, army, air and special service section commanders here are reported to have gone to Nanking. Even the Japanese Consul General at Hankow is in consultation in that city.

Sent to Chungking. Repeated to Department, Peiping.

SPIKER

REP

793.94/16060

F/FG

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

DEPARTMENT OF STATE
DIVISION OF FAR EASTERN AFFAIRS

July 22, 1940.

Reference Chungking's July 20, noon.

A study of the attached map, in consultation with Mr. Weil, indicates that the small area which the Japanese Consul General states can no longer be considered as (part of the) "safety-zone" is a considerable distance north of the American Embassy office and the U.S.S. Tutuila. According to Mr. Weil, some Americans have at times resided at the Canadian Mission Hospital which is in the vicinity, but to the southeast, of Yamaochi (Yehmaohsi).

As there appears to be no American interests situated within the area in question, and as representations have recently (Tokyo's 601, July 19, 5 p.m.) been made to the Japanese Foreign Office by Ambassador Grew in regard to the endangering of the Embassy office and the Tutuila by Japanese aerial operations, there would seem to be no need for action by the Department in regard to the telegram under reference at the present time.

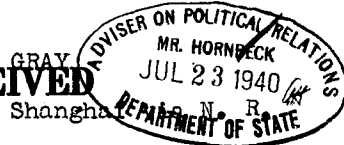
GA
FE:GA:BLS *jm*

TW

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

JI

TELEGRAM RECEIVED

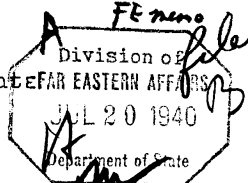


Dated July 20, 1940

FROM

Rec'd 5:30 a.m.

Secretary of State
Washington



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

July 20, 1940

July 20, noon. 793.94/15940

Reference Tokyo's 450, June 14, 11 p.m. to

Chungking. The letter quoted below and dated July 19 has been received from the Japanese Consul General at Shanghai.

"I have the honor to refer to my letter No. 60 of May 31, 1940 (see my May 31, 7 p.m. to Chungking) concerning the measures to be taken in order to assure the safety of the American citizens in Chungking.

As you will be aware,
~~Following the territory award,~~ on June 14, 1940, the Japanese Minister of Foreign Affairs informed the American Ambassador in Tokyo of the proposed safety zone on the south bank of the Yangtze River opposite the city of Chungking extending from Tantzeshik (17 34 13 11 42 58 (to Lungmen Hao) 78 93 70 24 31 85 (exclusive of Haitangchi) 31 89 27 58 33 hundred 5) suggesting at the same time that American citizens in Chungking be advised to evacuate to the above district.

END SECTION ONE.

BUTRICK

WVC

793.94/16061

FILED F/FG

AC

TELEGRAM RECEIVED

Shanghai via N.R.

FROM Dated July 20, 1940

Rec'd 6:20 a.m.

Secretary of State

Washington

July 20, noon (SECTION TWO).

However, it has been found, during the course of recent flights by the Japanese air (*) over Chungking, that even within the district above mentioned a great number of Chinese military works and anti-aircraft positions are situated, more particularly in the area north of Yamaochi (68 51 37 28 33 hundred 5). It is therefore the intention of the Japanese fighters to carry out bombing operations against those military objectives, and the area south of Tantzeshih and north of Yamaochi has become unable to be considered as safety zone any longer. For your reference the relative situation of the location is shown in the sketch map attached.

It is therefore urgently requested that you will take necessary steps to inform the American authorities as well as American citizens in Chungking of the above changes with regard to the safety zone and advise them

accordingly

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 - #- July 20, noon (SECTION TWO) from Shanghai

accordingly. Signed Ymiura, Consul General."

Sent to the Department and Chungking. Repeated
to Peiping and Tokyo. (END OF MESSAGE).

BUTRICK

DDM

(*) Apparent omission

DECLASSIFIED: E.O. 11652, 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

August 7, 1940.

RB
sa
Don
WMT

Chungking's despatch no. 579,
June 28, entitled "Bombing of Chungking
on June 24, 25 and 26, 1940".

To note the brief summary on page 1.

The Embassy reports that from the standpoint of intimidation the Japanese raids on Chungking appear to be achieving little as the Chinese appear to accept the raids with fatalistic calm, appear little affected by the widespread devastation and hardship, and are now accepting the raids as an almost everyday occurrence, resuming their tasks as soon as the all-clear signal is sounded. The translation of a Japanese leaflet dropped during the raids is interesting as showing the Japanese intention as indiscriminate terrorism.

793.94/16062

ReK
FE:Krentz:HES



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 579.

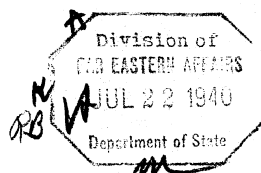
Chungking, June 28, 1940

Subject: Bombing of Chungking on June 24,
25 and 26, 1940.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE
1940 JUL 20 AM 10 08

DIVISION OF
COMMUNICATIONS
AND RECORDS



For Distribution-Check		Yes	No
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For	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
To field In U.S.A.		<input checked="" type="checkbox"/>	<input type="checkbox"/>

Encl + M/K

OCT 28 1940

COMMERCIAL AFFAIRS
DIVISION
AUG-19-1940
Department of State

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

In continuation of my despatch no. 568, June 24, 1940, and in amplification of my telegrams no. 294, June 24, 7 p.m., no. 298, June 25, 7 p.m. and no. 300 June 26, 8 p.m. reporting the further occurrence of Japanese aerial raids on Chungking on June 24, 25 and 26, 1940, I have the honor to submit below further details and comment in regard to these attacks.

Summary. There are details of the Japanese air raids of June 24, 25 and 26 on Chungking. The raid of June 26 was the most severe of the year from the standpoint of property damage. The Japanese appear to hope that by the use of mass aerial attacks on Chungking the Government and people of China will be intimidated into submission. This hope is but an illusion.

The

793.94/16062

F/FG

AIR MAIL

- 2 -

The raid of June 24, conducted by sixty-two planes in two formations, was noteworthy for the bombing of the British Embassy and British Consulate General. Six bombs fell in or near the compound of these official British-owned premises, completely destroying the residence of the Consul General and causing extensive damage to the office and other buildings utilized as residences. A motor car owned by the British Embassy was also destroyed. In consequence of this attack, the offices of the British Embassy and the British Consulate General are being removed to Lungmenhao on the south bank of the Yangtze River. The French Consulate, which is located near the British Consulate General, was damaged slightly in the same raid and six Chinese were killed on this property. American-owned property fared relatively well in this raid, losses apparently being limited to the further damaging of the property of the American Bible Institute and the partial collapse of a wall enclosing the Lewis Memorial Institutional Church of the American Methodist Episcopal Mission. There was rather extensive destruction of Chinese-owned shops and residences; incendiary bombs started several fires, one in a busy commercial area gutting numerous buildings before it could be controlled. In so far as could be observed no damage was inflicted on military objectives. Casualties were few.

On the afternoon of June 25 two groups of Japanese bombers heavily bombed the southwestern section of Chungking, apparently having as their chief objective an arsenal located in that general area. The arsenal, however, was not damaged. In the course of this attack one bomb fell about seventy-five yards west of the fence enclosing the installation property of the Standard-Vacuum Oil Company. Fortunately none of the staff of this American company was injured and property damage was limited to a few broken window panes. The scope of this Japanese attack extended to the suburban areas south and west of Chungking, and it is understood that some equipment of the Chungking-Chengtu Railway and the Ministry of Communications was damaged. Casualties appear to have numbered not more than twenty persons. Chinese pursuit planes vigorously attacked the invading planes and were successful in breaking up the first formation and probably contributed to inaccurate bombing on the part of the Japanese.

The raid carried out on the morning of June 26 was perhaps the most destructive of any of the Japanese aerial attacks yet carried out on Chungking during the present year. Eighty-five bombers participated, and it appears that demolition bombs, some of a very heavy type, were used exclusively. One group comprising thirty-six planes flew from north to south up the course of the Yangtze River, dropping bombs in the heart of the city and in the Yangtze River. The left element of the left squadron of this group appears to have flown directly over the U.S.S. TUTUILA, and numerous bombs fell in the river about a half-mile south of the American gunboat. There was much property damage in the heart of the city, but the only conceivable military object in that area--the headquarters of the

Military

AIR MAIL

- 3 -

Military Affairs Commission--escaped destruction. Among the buildings damaged or destroyed were two housing the Ministry of Foreign Affairs (which is now moving to new quarters in the same general vicinity), the air-defense headquarters of the municipality, a residence of the Friend's Mission (British-owned), the out-patient's ward of the Canadian Mission Hospital, and the old Bank of China building. The large structure housing the Chinese Y.M.C.A. was damaged slightly in this attack. The Municipal Market was destroyed. Another group of planes apparently endeavored to bomb and destroy the arsenal mentioned in a preceding paragraph, but the great majority of bombs appear to have fallen wide of the mark, many of them exploding harmlessly in the river. In any event the arsenal sustained very little damage. The Soviet Embassy, which is located on a small hill across the Yangtze River from the arsenal, received further damage from bombs falling in the vicinity thereof. A third group of planes raided the already badly devastated Liang Lu Kou area in the western part of the city, presumably having as their main objective the electric power plant. They failed to hit the power plant, but managed to destroy the private residence of Dr. H. H. Kung, Vice President of the Executive Yuan and Minister of Finance, the newly constructed building of the Young Brother's Banking Corporation and many other privately-owned structures. Again, casualties were exceedingly small owing to the very adequate dug-out accommodations provided for the populace.

Chungking today can undoubtedly claim the undesirable distinction of being the most severely, the most widely, the most indiscriminately, bombed city in the world. As one travels through the city, shattered buildings, wreckage and debris everywhere meet the eye, and in some areas whole blocks are burned-out or in ruins. But the Chinese people, with their great capacity for adaptability, mixed perhaps with an inherent fatalistic calm, appear little affected by the wide-spread devastation, the dangers, the hardships, and the inability to carry on the ordinary pursuits of life for hours and even days on end. They have learned to accept the raids as an almost every-day occurrence, and as soon as the all-clear signal is sounded they are to be seen resuming the tasks they had to abandon for the air shelters. Dr. Kung perhaps expressed the attitude of the average Chinese, for when officers of my staff called to express regrets at the loss of his residence, Dr. Kung merely smiled, shrugged his shoulders, and said "We Chinese must all expect to suffer these losses, and there is no reason why I should not share them with the average coolie." Long observation of the nature of Japanese aerial attacks on Chungking leads one almost inescapably to the belief that the chief object of these apparently deliberate and wanton acts is to strike terror into the hearts of the inhabitants and thus bring about a break in the will to resistance. If this conviction is correct, and it is reinforced by a reading of the leaflets dropped, a copy in translation of one of which is enclosed, the Japanese are due for disillusionment. The Chinese people cannot be

intimidated

AIR MAIL

- 4 -

intimidated and threatened into submission by such methods, much less persuaded to abandon their loyalty to their government and leaders by the use of such barbarous means.

Respectfully yours,


Nelson Trusler Johnson

✓
Enclosure:

1/ Copy in translation of one of leaflets

Original (by air mail) and four copies to Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo

711.6/710

EFD:MCL

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

Enclosure no. 1 to despatch no. 579 dated June 28, 1940,
from American Embassy at Chungking on subject of "Bombing
of Chungking on June 24, 25 and 26, 1940".

Leaflet dropped from Japanese airplanes on June 24, 1940

(Translation)

Where the Chiang Kai-shek Government is located,

A thorough bombing is unavoidable

Until the place is reduced to ashes;

Old Chiang must speedily surrender to the Japanese Army

And discontinue useless resistance

In order to avoid injury to Chinese compatriots;

Good people must not live in the same place with Chiang's troops,

Otherwise they will all be destroyed.

Translated by: Hsi

TELEGRAM RECEIVED

ATP

GRAY

FROM

FOOCHOW VIA NR

Dated July 21, 1940

Rec'd 3:30 a.m.

Secretary of State, FAR EASTERN AFFAIRS

Washington

July 21 10 a.m.

Division of
JUL 22 1940

Department of State

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

July 22. 1940

793.94

Japanese troops landed at San Tubbao, coasted port to north of Foochow, at nine o'clock this morning. Their strength is unknown nor is it clear whether attack on this city is contemplated. It was earlier reported that five Japanese gunboats had entered San Tubbao harbor and were shelling the city, which was being evacuated, after five planes had bombed the city at 8 a.m.

Sent to Peiping. Repeated to Department and Chungking.

WARD

ROW

793.94/16063

FILED
JUL 24 1940

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

TELEGRAM RECEIVED

JIL

GRAY

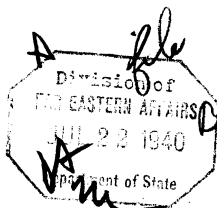
FROM

FOOCHOW VIA N.R.

Dated July 21, 1940

Rec'd 11:25 a.m.

Secretary of State,
Washington.



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

July 22 1940

July 21, 1 p.m.

793.94
Second air raid alarm today is now on in Foochow,
but no planes have appeared. According to reports
from official Chinese sources, Chinese troops on Santuao
Island are resisting, fierce fighting is in progress,
the city is burning, and shelling from Japanese gun-
boats is continuing. An attempted landing by Japanese
from motor boats at Ningteh, on the mainland almost
due west of the island, is stated to have been repulsed.

Sent to Peiping. Repeated to Department and
Chungking.

WARD

TFV

793.94/16064

F/FG
FILED
JUL 24 1940

TELEGRAM RECEIVED

JIL

FROM

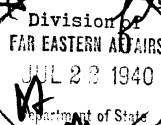
GRAY

FOOCHOW VIA N.R.

Dated July 21, 1940

Rec'd 11:58 a.m.

Secretary of State
Washington.



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

July 22 1940

July 21, 6 p.m.

Japanese landing party withdrew from Santuao Island at 2 o'clock this afternoon although five naval vessels are reported to be still at Santuao harbor.

Sent to Peiping. Repeated to Department and Chungking.

WARD

TFV

793.94/16065

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

RDS

TELEGRAM RECEIVED

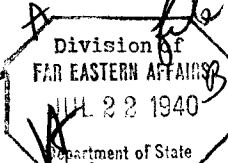
Shanghai via N.R.

FROM

Dated July 20, 1940

Rec'd 4:22 p.m.

Secretary of State,
Washington.



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

665, July 20, 1 p.m.

Reference my July 16, 11 a.m., brawl between American
marines and Japanese civilians.

Yesterday I received a formal letter from my Japanese
colleague in regard to the matter in which he alleged
that "altogether inadmissible acts of violence were per-
petrated against two Japanese residents by three members
of the American Fourth Marines. "In his letter Mr. Miura
~~then stated the alleged facts in the case~~
~~(?) stated by (?) alleged as revealed by his investigation~~
and requested me "to cause an immediate investigation to
be made into the matter so that those three American
Marines are identified without delay and that they be
strictly punished, which I would like to be informed of,
and also that all appropriate amends are made." His letter
is concluded with a reservation of rights on behalf of the
two Japanese involved.

I have sent a copy of the letter to Colonel Peck
with the request that he investigate the matter and inform
me of the results of his investigation. I have informed

Mr.

793.94/16066

FILED

JUL 26 1940

F/FG

893.102

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- #665, July 20, 1 p.m., from Shanghai via N.R.

Mr. Miura that I have referred the matter to Colonel Peck for investigation and that I intend to communicate with the Japanese Consul General again when I am informed of the results of Colonel Peck's investigation.

Yesterday Domei disseminated an article on this case incorrectly stating that Miura's letter to me contained "demands for a formal apology." It is possible that this article was intended to convince Japanese readers that their authorities are taking a strong attitude.

Sent to Department. Repeated to Peiping, Chungking.

BUTRICK

EMB

TELEGRAM RECEIVED

CORRECTED COPY

JT

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

FROM

YUNNANFU VIA CHUNGKING
AND N.R.

Dated July 20, 1940

Rec'd 3 a.m.

Secretary of State,
Washington.

July 20, 9 a.m.

Following from Yunnanfu? "July 18, 10 a.m.

Local foreign adviser of aviation school reports that National Government Chinese here, especially defense, are extremely tense over the possibility of a sudden Japanese advance into this province with the connivance of the provincial authorities; that this feeling has been particularly marked during the past week. Numerous Chinese, knowing his Central Government connections, have sought him out to express their anxiety, being apprehensive of the fate of planes and personnel of the aviation school in the event of a sudden change here.

My informant states that the Central Government authorities took into custody three of Wang Ching Wei's agents who were sent here to communicate with the Provincial Chairman; from other sources the Consulate learns that

this



793.94/16067

-2- No. - July 20, from Yunnanfu

this happened at Kweilin; on July 14 where they were taken off the Hong Kong plane, piloted by an American. Presumably national officials will force from them some knowledge of the existing situation.

Informant estimates Central Government has at the Kwangsi border at least nine or ten divisions; this is the same figure Consulate has heard in this connection. Provincial troops in large numbers have been sent down the railway, many stationed at Kaiyuan, during the present tense period."

JOHNSON

OSB

TELEGRAM RECEIVED

AC

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

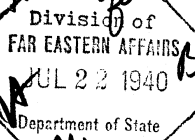
FROM

Yunnanfu via Chungking and
N.R.

Dated July 20, 1940

Rec'd 3 a.m.

Secretary of State
Washington



July 20, 9 a.m.

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that National Government Chinese here, especially defense,
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have sought him out to express their anxiety, being
apprehensive of the fate of planes and personnel of
the aviation school/ the sudden change here.

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custody three of Wang Ching Wei's (?) who were sent
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other sources the Consulate learns that this happened
at Kweilin, on July 14 where they were taken off the
Hong Kong plane, piloted by an American. Presumably
national

793.94/16067

F/FG

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

- 2 - July 20, 9 a.m. from Yunnanfu

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JOHNSON

HPD

DECLASSIFIED: E.O. 11652, 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 23, 1940

~~WEEK~~ ~~FR~~ ~~DATE~~
~~JMI~~ ~~JUL~~ ~~1940~~
Yunnanfu's despatch no. 98, July 2, 1940,
"Possible Political Effect in Yunnan of Recent
Changes in Indochina Situation".

Essential points are covered in the summary
on page 3.

Comment: With reference to the statement
issued by the Indochina branch of the Kuomintang
regarding Chinese interest in the protection of
Indochina, it is difficult to believe that
responsible Kuomintang leaders can entertain
any serious intention of occupying Indochina or
fomenting rebellion among the natives at a time
when every ounce of Chinese military strength
is required for the defense of China proper.
It is also difficult to understand what advan-
tages occupation of Indochina would bring so
long as the Japanese are in a position to
blockade the coast.

793.94/16068

~~TW~~
FE:Weil:HJN

DECLASSIFIED: E.O. 11652, 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. 98

RECEIVED
DEPARTMENT OF STATE
AMERICAN CONSULATE

Yunnanfu, China, July 2, 1940.
1940 JUL 20 AM 9 58

DIVISION OF
CONFIDENTIAL COMMUNICATIONS
AND RECORDS

SUBJECT: Possible Political Effect in
Yunnan of Recent Changes in
Indochina Situation.

For Distribution Check		Yes	No
Grade	G		
For	Belgium		
	in U.S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

OK MGD

The Honorable

The Secretary of State,
Washington.

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

Sir:

I have the honor to refer to Yunnanfu's telegrams of June 24, 10 a.m. and June 24, 7 p.m., to the Embassy, Chungking, and to comment upon the possible political effect in Yunnan Province of recent changes in the situation in French Indochina.

Following the collapse of French resistance in Europe and the acceptance of Japanese demands by the Indochina Government, local Chinese were in a high state of excitement. Hundreds of rumors were in circulation, few of them with substantial basis, but nearly all rising from the Japanese threat to Indochina. It was doubtless because of this state of uncertainty and excited credulity that an attempt was made by Chinese on the morning of June 22 to destroy a bridge on the Indochina-Yunnan Railway near La-ha-ti (腊哈地), 33 kilometers north of the border. It is also reported that a long stretch of track was torn up at the same time. Later information revealed that the break in the line was made under orders of the Chinese Ministry of Communications (reportedly carried out by employees of the Kunming-Suifu Railway). Railway officials here state that the Provincial Government was not a prime mover in this action, and that there are even now two schools of thought on the matter of repairing the break, the Central Government authorities presumably being in favor of deferring reparation of the line until Japanese intentions toward Indochina are clarified. (Railway officials here state that the attempted destruction of the bridge was poorly done and that, if a free hand were given, repairs could be completed in less than a week's time.)

Concurrently

COMMERCIAL AFFAIRS
Department of State

JUL 30 1940

793.94/16068

F/FG

-2-

Concurrently with the above action, orders were given by the Chinese authorities to stop all railway rolling-stock in Yunnan Province from proceeding beyond Hokow, border point, in order to forestall possible Japanese use of transport material. There has since been a relaxation of this prohibition, but it is understood that the quantity of cars on the Yunnan side will remain, on balance, at the approximate level existing prior to the acceptance of the Japanese demands.

It is apparent that the Central Government has been alert to the possibility of a quick Japanese invasion through French Indochina. The Consulate has received reports from time to time of the presence of Central Government troops, believed to be small detachments, along the railway; there have been reliable reports of movements of such troops in the eastern part of the province near the Kwangsi border; the number often named is two divisions, though there is no confirmation of this figure.

The attitude of the Provincial Government, at least outwardly, has been acquiescence in this infiltration, in view of a possible need of further defenses for the province. There are frequent rumors that the local military authorities are not entirely pleased and that they desire to undertake defense measures independently. Local foreigners in particular are extremely cynical as to the loyalty of the Provincial Government; however, the Consulate can point to no definite evidence as a basis for suspicion of its intentions. It is believed that in any case Chairman Lung Yun is too adroit to give room for active suspicion.

It is probable that the Provincial Government desires mainly to preserve its independence, out of long isolation, with the bargaining-power and financial perquisites which that independence affords. The Consulate recently received information emanating from a responsible and informed Chinese source of independent views, that local officials had been for some time seeking closer economic ties with French Indochina as a possible safeguard for their future position, the recent negotiations for supplies of rice from that area being an instance in point. Economic ties might easily have ripened into political rapprochement under the conditions of (1) a post-war chaos following a Chinese victory or (2) a division of China as a result of Sino-Japanese peace terms. However, the virtual disappearance of the French counterpoise to the Central Government has narrowed the field of choice by the local authorities, and the imminent possibility of a Japanese invasion of Indochina and the simultaneous entry of National forces into the province for defense may suddenly force the "yes-or-no" decision so distasteful to the provincial regime. Whatever the likelihood of the Provincial Government's adherence to the Wang Ching-wei movement, it is probable that the Japanese strongly hope to bring about

a

-3-

a divergence of feeling; and it is for this reason that Chungking is likely to move forces to the border, when necessary, in sufficient numbers to block any possibility of a deal between Yunnan Province and the enemy.

In a speech to the Yunnan Provincial Council on July 1, Chairman Lung Yun called attention to France's treaty obligations with regard to transport of materials through Indochina and stated his regret that the Indochina authorities had unilaterally imposed an embargo on all materials for the Chinese Government, which exceeded, he said, even the Japanese demands. He then stated that the First Group Army (Yunnan) could not be recalled from the front, consequently Yunnan Province at the present juncture must depend upon its traditional spirit and the power of the Chinese nation. The latter statement is believed to carry more force than appears, and is probably an admission that dependence on the Central Government will be necessary.

The local press and the Kuomintang headquarters have sharply criticized the French action and echo the declaration of Foreign Minister Wang Chung-hui that China will take all necessary steps to safeguard her interests should a Japanese attack come from Indochina. In a recent circular issued by the Indochina branch of the Kuomintang and widely distributed here it is even possible to detect a note of irredentism. The circular states at one point: "The people of Indochina, striving for their existence, have the right to set up a voluntary defense and enlist the assistance of a friendly nation to protect Indochina"; and, in view of the indissoluble ties between the two areas, "this Party hopes that the Chinese Government will take all necessary and effective measures to assist this Party". It is perhaps worth noting that the feeling of China towards this former territory might well be that if the colony is to be given up by the present possessor, the rights of reversion belong to China, and for that reason its occupation, if possible, would be justified to the world.

SUMMARY.

The attempted destruction of a railway bridge and the retention of railway rolling-stock in Yunnan Province, under the direction of Central Government authorities, indicate Chungking's intention to exercise direct control over military operations in the event of a Japanese advance into Indochina. There are no outward indications that the Provincial Government is not loyal to the Central Government; it is believed that Yunnan mainly wishes to preserve its semi-independent status. Any hope of political backing from the French must now be given up, and with the threat of a Japanese attack the local government is confronted with a possibly imminent decision as to its attitude toward full entry of the Central Government into the province. An undercurrent of irredentism is detected in recent Kuomintang comment regarding Indochina.

Respectfully yours,

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

-4-

Respectfully yours,

Troy I. Perkins
Troy I. Perkins,
American Consul.

Original (by airmail) and four copies to the
Department.
Copy to Embassy, Chungking.
Copy to Embassy, Peiping.
Copy to Consul, Hanoi.

800
TLP:SAM

4 Carbon Copies
Received 70

TELEGRAM RECEIVED

AS

GRAY

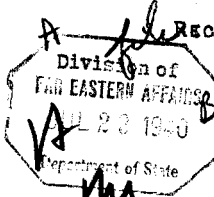
FROM

Shanghai

Dated July 22, 1940

Rec'd 6 a.m.

Secretary of State,
Washington,



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

671, July 22, 1 p.m.

July 23 892

Incident of July 7 reference my 653, July 18,
4 p.m. and previous. Following is text of an official
letter dated July 22, delivered today to Major General
Mura from Colonel D. Bark

"Further reference is made to your letter of 8
July. On the morning of 7 July, 1940, General Nishio,
accompanied by a large number of Japanese officers made
an official tour of the American defense sector: and
the Japanese military held an official reception at the
Pelée Hotel, within the American defense sector.

The Commanding Officer, Fourth Marines, although
he had received no official notification from the
Japanese authorities that the above tour and reception
were to take place within the American defense area, per-
sonally met General Nishio and welcomed him to the
American sector, and provided him with an official mili-
tary escort.

It

793.94/16069

F/FG

793.94
202
793.102

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

AS-2- #671, July 22, 1 p.m., from Shanghai.

It must be noted that 12 July being the anniversary of the Loukouchiaao incident, the Shanghai Municipal Police had requested the Fourth Marines to operate in active support of the police and take special precautions against acts of terrorism or anti-Japanese demonstrations. The unexpected appearance of the Japanese Commander-in-Chief, accompanied by a large Japanese escort within the sector on this date created an additional hazard.

While General Nishio was attending the reception at the Pelee Hotel, the Shanghai Municipal Police at about 1000 notified Marine Headquarters that a number of strange Japanese in civilian clothes, thought to be gendarmes, and apparently carrying concealed (END SECTION ONE).

BUTRICK

DDM

TELEGRAM RECEIVED

JT

GRAY

FROM

SHANGHAI VIA N.R.

Dated July 22, 1940

Rec'd 2:07 p.m.

Secretary of State,
Washington.

671, July 22, 1 p.m. (SECTION TWO)

weapons, were on Bubbling Well Road, along the route over which the Japanese General Nishio was expected to pass soon. The Marines felt a high degree of responsibility for General Nishio's safety as long as he remained in the American sector, and as these men might be terrorists it was necessary to remove them and remove them fast. No time was available to communicate with Japanese authorities to verify these men's identity and orders were issued for their arrest.

An officer on patrol accompanied by an interpreter and by an officer of the Shanghai Municipal Police, who pointed out the suspicious characters, effected the arrests. Some resisted arrest. All refused to surrender their guns. Identification cards were produced purporting that the men were members of the Japanese gendarmerie. However, doubt was cast on this because the Marine

Authorities

-2- #671, July 22, 1 p.m. (SEC TWO) from Shanghai

Authorities had not been informed that separate gendarmes would operate in the Marine sector.

The suspicious characters were stationed singly at intervals along Bubbling Well Road, staggered on opposite sides of the road. In all, 16 arrests were made. As stated above some resisted arrest. All refused to surrender their guns. No force was used other than necessary to arrest these men, and to effect prompt disarmament of the men in order to prevent their causing death or injury by the use of their firearms. The Marines effecting the arrests were armed but carried their rifles slung over their shoulders. The Japanese were transported from the places of arrest in trucks of the type used to transport personnel.

(END SECTION TWO)

BUTRICK

TFV

TELEGRAM RECEIVED

JT

GRAY

FROM

SHANGHAI VIA N.R.

Dated July 22, 1940

Rec'd 3:30 p.m.

Secretary of State,
Washington.

871, July 22, 1 p.m. (SECTION THREE)

In many cases the Japanese refused to get into the truck and had to be bodily lifted therein.

General Nishio passed up Bubbling Well Road and left the American defense sector at about 10:45, without incident. Prior to that time all of the above arrests had been effected.

The Japanese were first detained near Regimental Headquarters in a small building used daily by the marines as a lecture room, gymnasium, and an indoor .22 calibre range. The leader Sergeant Major was at once permitted to telephone his superiors. He was then questioned by the Regimental Commander. The men, while detained in this building, were guarded by two sentries within the building and two outside the building, and a corporal stationed in the doorway. Rifles were carried loaded and locked. Bayonets ^{fixed} ~~not~~ ~~to~~ ~~be~~ ~~carried~~ ~~loaded~~ ~~and~~ ~~locked~~. No other persons entered this building except an interpreter and the

Officer

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

-2- No. 671, July 22, 1 p.m. (SEC THREE) from Shanghai

Officer of the Day. The interpreter entered because it was reported by the guard that the prisoners wanted to say something. It developed that this something was that one wished to go to the lavatory. He was conducted to the lavatory.

At 11:30, after the names of the men had been secured and their pistols listed, and as the indoor range did not have proper facilities, the men were conducted to detention quarters where they were accorded exactly the same facilities and treatment given to marines who are detained.

(END OF SECTION THREE)

BUTRICH

NPL

TELEGRAM RECEIVED

JT

FROM

GRAY

SHANGHAI VIA N.R.

Dated July 22, 1940

Rec'd 3:40 p.m.

Secretary of State,
Washington.

671, July 22, 1 p.m. (SECTION FOUR)

They were offered their noon meal. Some started to eat but were stopped by their leader.

Japanese officers called at Marine Headquarters and identified the men as gendarmes. It was explained that the men would be released whenever a responsible officer signed a release for them. A Major of gendarmes called in the afternoon and talked to the men and left after praising the fine detention quarters. He refused to sign a receipt for the release stating that he did not have authority.

Finally at 15:00, Major General Miura, Commanding Officer of Gendarmes, called at Marine Headquarters. He expressed his regret over the incident and stated that it was by accident that the marines had not been notified, and gave assurances that the incident would not recur. The men and their arms were released to Japanese ~~charge~~ *authority* *gvt.*

~~at 14:00~~

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- No. 671, July 22, 1 p.m. (SEC FOUR) from Shanghai

~~authority~~
~~affairs~~ (4). It was agreed between Major General *gc*
Miura and the Commanding Officer Fourth Marines that
incident was closed.

While the men were detained in detention quarters
they were given the usual routine medical examination.
Three had superficial cuts - iodine cases. One complained
of a headache - aspiring treatment. The memorandum
report reads: "All others were examined carefully,
and thoroughly, and there were no other signs of tissue,
bone
~~breaks~~, or large injuries that could be elicited".

On the morning of July eighth, Major General Miura
addressed a very courteous letter to the Commanding Officer
Fourth Marines expressing his gratitude that the trip
of General

(END SECTION FOUR)

BUTRICK

NPL

TELEGRAM RECEIVED

JT

FROM

GRAY

SHANGHAI VIA N.R.

Dated July 22, 1940

Rec'd 3:47 p.m.

Secretary of State,
Washington.

671, July 22, 1 p.m. (SECTION FIVE)

Nishio through the American sector had been completed without delay or obstruction.

On the afternoon of July 8th the Japanese official spokesman at a press conference made a violent attack against the marines, accusing them among other things of brutality during and after the arrests. This was the first intimation the marines received that there was any thought of undue force having been used.

Later, a letter was received from Major General Miura, written on July 8th, containing practically the same denunciations made by the press spokesman noted above.

An exhaustive investigation was initiated by the Fourth Marines in an attempt to determine whether or not these denunciations had any foundation.

Major General Miura and Colonel Peck had various conferences in an endeavor to settle this incident. Finally it was decided that the settling of the incident would

-2- No. 671, July 22, 1 p.m. (SEC FIVE) from Shanghai

would await the termination of the investigation being conducted by the Fourth Marines.

This investigation has now been completed. During the investigation Japanese authorities were freely consulted. We wish to thank you for the cooperation given.

The investigation does not sustain the charges of undue force and maltreatment. The statement that the gendarmes offered absolutely no resistance is not sustained. Most resisted arrest. All refused to surrender their guns, and struggled, some violently - striking, butting and kicking at marines. Some marines received minor injuries such as scratches and bruises. One marine reports that a gendarme attempted to bite his hand.

(END SECTION FIVE)

BUTRICK

NPL

TELEGRAM RECEIVED

RDS

GRAY

FROM

SHANGHAI via N.R.

Dated July 22, 1940

Rec'd 4:01 p.m.

Secretary of State,
Washington.

671, July 22, 1 p.m. (SECTION SIX)

It is claimed that the gendarmes were forced to squat on the floor of the rifle range. This claim is not substantiated. It is true that they were detained in a small building used daily by the marines as a lecture hall, gymnasium and an indoor .22 calibre rifle range. This building is not provided with chairs, hence the gendarmes were under the necessity of either standing or sitting on the floor. This was unfortunate, but the inconvenience was certainly not great as the men were detained therein not over an hour.

It is claimed that the gendarmes, after being unarmed, were menaced with loaded rifles. It is true that the guards' rifles were loaded and locked. But the guards were under competent command and we can find no verification of the allegation ~~of~~ menacing gestures. *eye*

The claim has been advanced that one gendarme had his ear pulled. We can find no verification.

It is claimed that the Japanese gendarmes received unfriendly

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- #671, July 22, 1 p.m. (SECTION SIX), from Shanghai
via N.R.

unfriendly treatment in the presence of the public in
broad daylight. It is true that the gendarmes were un-
avoidably forcibly arrested in the presence of the public
in broad daylight, but the public could not have been
generally aware that they were gendarmes inasmuch as
they were in plain clothes.

BUTRICK

NPL

TELEGRAM RECEIVED

RDS

GRAY

FROM

SHANGHAI via N.R.

Dated July 22, 1940

Rec'd 3:54 p.m.

Secretary of State,

Washington.

671, July 22, 1 p.m. (SECTION SEVEN)

It is claimed that the number of gendarmes injured was eleven in place of the three stated by marine authorities. In this the gendarme and marine authorities are at variance. Both authorities are agreed, however, that no serious injuries were inflicted.

Inasmuch as you were kind enough to express to me your regrets that Japanese gendarmes were operating in the American sector without proper authorization on July 7, 1940 and to assure me that the incident would not recur, I have no hesitancy in expressing to you my regrets that, pursuant to measures we were taking to safeguard the Japanese Commander-in-Chief on that occasion, ^{and} ~~it is due~~ under the unusual circumstances then obtaining, of the incident occurred, and that some members of the gendarmery as well as some members of the marines were unavoidably slightly injured.

Assuring you of my high personal esteem, I am, et cetera,"

Sent

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- #671, July 22, 1 p.m. (SECTION SEVEN) from Shanghai
via N.R.

Sent to the Department. Repeated to Chungking,
Peiping, and Tsingtao. Tsingtao repeat to Commander-
in-Chief. Code text together with code text of my 653
and 650 being air mailed to Tokyo.

(END OF MESSAGE)

BUTRICK

NPL

TELEGRAM RECEIVED

ATP

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

FROM

CHUNGKING via NR

Dated July 23, 1940

Rec'd 6:45 a.m.

Secretary of State.

Washington



358, July 23, 10 a.m. 793.94/16067

Reference second paragraph Yunnanfu's July 18,

10 a.m. quoted in my July 20, 9 a.m. an American official
of China National Aviation Corporation reports that five
men en route from Kunming in a plane returning to Hong
Kong (with regular commercial) from a chartered flight to
Kunming did not return to plane when it departed from
Kweilin although they had bought tickets to Hong Kong.
Pilot of plane stated that after departure from Yunnanfu
he received orders to land at Kweilin and did so. He was
upon arrival told a story similar to that reported in
Yunnanfu's telegram under reference.

Sent to Department.

Repeated to Peiping.

Air mail to Yunnanfu

JOHNSON

DDM

793.94/16070

F/FG

TELEGRAM RECEIVED

AS

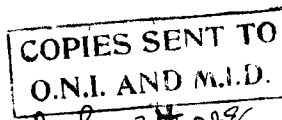
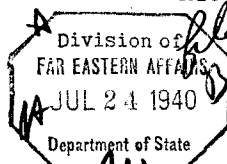
GRAY

FROM Shanghai via N. R.

Dated July 23, 1940

Rec'd 11:35 a.m.

Secretary of State,
Washington.



682, July 23, 3 p.m.

The following telegram has been received in

Japanese:

"American acting Consul General Butrick.

The outrageous acts committed recently by the
military forces of your country cannot be overlooked
by the Japanese people. Full apologies should be made
to our Empire at once and the military forces of your
country should withdraw at once as demanded by the
Government of the Chinese people and the Mayor of
Shanghai. Meeting of citizens of Amagasaki. Mimura
Masaichiro chairman."

It is understood that a similar message was sent
to Colonel Peck.

The Consulate General has not (repeat not) acknowl-
edged the receipt of the message.

Sent to the Department. Repeated to Chungking
Peiping by air mail Tokyo.

CSB

BURTICK

793.94/16071

F/FG

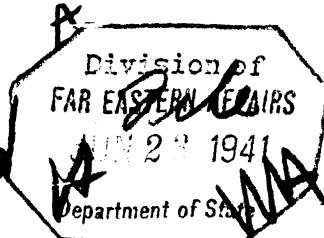
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)
Department of State letter, August 10, 1972
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

KD

PLAIN



FROM Tokyo via Shanghai & N.R.

Dated June 21, 1941

Rec'd. 8:20 a.m., 23d

Secretary of State,

Washington.

856, 21, 6 p. m.

COPIES SENT TO
O.N.I. AND M.I.D.
6/23/41 TEK

Today's KOKUMIN editorial states that the Japanese people now face three important facts: the meeting of the Central Cooperative Council of the Imperial Rule Assistance Association, the visit of Wang Ching Wei, and the breakdown of Japanese-Netherland Indies negotiations. The mission of the Cooperative Council is the expression to those in authority of popular opinion concerning all issues facing Japan, especially those concerned with settlement of the China incident and construction of the East Asia co-prosperity sphere. Wang Ching Wei's visit and the rupture of the Netherlands Indies negotiations respectively constructive and destructive in nature, are closely related to Japan's destiny in Asia. Wang's visit and his discussions with Japanese leaders are epochal in Japanese-Chinese diplomatic relations. It is hoped that the Japanese Government and people can give up to Wang's expectations.

Rupture of the negotiations with the Dutch and failure to achieve

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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- #856, 21, 6 p. m., from Tokyo.

to achieve any material or spiritual result is extremely disappointing and regrettable. Opinions among members of the Cooperative Council were united that Japan should take a strong attitude. Japan has permitted negotiations to drag for nine months without result and has now obtained only the Dutch guarantee that no change will occur in normal relations between Japan and the Netherlands Indies. Can anyone guarantee that such an insolent and unreasonable attitude will not affect the attitude of Thailand and French Indochina? The impression it may make upon Wang Ching Wei and the Nanking Government is also a source of anxiety. Determination is urged upon the Government and the Imperial Rule Assistance Association. Otherwise Wang's visit will be devoid of significance and the rupture of negotiations will achieve nothing.

Sent Department via airmail to Shanghai.

GREW.

HTM

TELEGRAM RECEIVED

RDS

GRAY

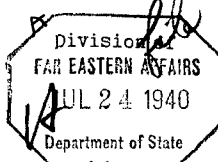
FROM

HANKOW via N.R.

Dated July 23, 1940

Rec'd 2:47 a.m., 24th

Secretary of State,
Washington.



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

July 26 1940

July 23, 2 p.m.

This office's telegram of June 27, 2 p.m.

It is reported from a usually reliable source but
without confirmation that fifty-six Japanese army bombers
yesterday ^{left} ~~left~~ from Wuchong ^a for Hainan.

The local military commanders mentioned in my
July 19, 3 p.m. are due back today from Nanking.

Sent to Chungking. Repeated to Department,
Peiping, Shanghai.

JARVIS

RFP

793.94/16072

F/FG

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DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

July 30, 1940

~~RCM~~
~~RCR~~
~~GA~~

~~RCM~~
~~JWE~~
~~MHA~~

Nanking's despatch no. 94, June 17, 1940, "Joint Proclamation Issued by Japanese Military and Naval Headquarters in China".

It is pointed out that the proclamation in question appears to be the first of its sort in which it is specifically stated that Japanese military regulations are applicable to third party nationals. Activities which are punishable cover a very wide range and include causing "unfavorable effects on the economic and financial policies"; violating orders restricting "importation of gold, silver or Japanese bank notes from Japan or 'Manchukuo'"; engaging in speculation and exchange transactions; and violating orders issued by Japanese troops restricting transportation of bank notes and commodities and "any restrictions placed on economy and finance".

The Embassy is inclined to believe that the proclamation was issued "to make clear to occidentals, Chinese puppet regimes, Japanese politicians and perhaps even to the Japanese Government itself exactly where the real authority in occupied China lies".

793.94/16073

SW
FE:Well:MHP

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

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17874 ~~EE~~



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

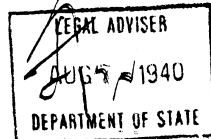
DCA
LE

AMERICAN EMBASSY

Nanking, China,
June 17, 1940.

No. 94.

Subject: Joint Proclamation Issued by
Japanese Military and Naval
Headquarters in China.



9
RECEIVED
DEPARTMENT OF STATE

1940 JUL 23 PM 2 42

DIVISION OF
COMMUNICATIONS
AND RECORDS



For Distribution-Check		Yes	No
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G. Stanton
ONT-MED-Commerce

793.94

The Honorable

A-M/C The Secretary of State,
RECORDING DES. Washington, D. C.
FILE-C.S.

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

7/31/88

Sir:

COMMERCIAL AFFAIRS
Department of State

AUG 1 1940
DIVISION OF
COMMUNICATIONS
AND RECORDS

1-2/

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4/

I have the honor to refer to this office's telegram
No. 58/15942 of June 14th concerning the joint proclamation
issued by the Japanese military and naval headquarters in
China on June 11, 1940. There are now enclosed for the
information of the Department, copies of the Japanese and
Chinese texts (as given in the local press) of the procla-
mation and the prefatory and explanatory statements append-
ed thereto together with this office's translation of the
proclamation and the statements mentioned.

As

793.94/16073

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As the Department is aware somewhat similar proclamations have been issued by the Japanese military and naval authorities during the course of the present hostilities but it is not believed that it has heretofore been specifically stated in such proclamations that Japanese military regulations were applicable to third party nationals although it is recalled that Japanese military spokesmen at Shanghai have implied that such was the case. However, as regards the present regulations it is declared specifically in the statement prefacing the proclamation that they are applicable to "Chinese, Japanese or nationals of third powers" and that those who violate the regulations shall be punished by "imprisonment, fines or confiscation of property."

The proclamation lists eight categories of activities which are punishable including; criticism of Japanese policies; the giving of lectures, holding of meetings, publication of books and periodicals and the showing of motion pictures calculated to disturb the thoughts of soldiers and civilians; interference with the work of pacification and propaganda; disregard of orders or arrangements of the authorities in connection with the enforcement of emergency precautions; slanderous attacks on Japanese troops; the receiving, demanding or taking over control of properties or other interests or the agreeing to illegal requests by those working in Chinese government offices or other organizations and by those

who

- 3 -

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who are employees or advisors of the Japanese army or the China Affairs Board; and finally the instigation of the people, disturbing order, monopolizing finances and carrying on activities which may lead to the commission of the above mentioned "misconduct".

It will be noted that a very wide range of activities is covered by the proclamation which is further amplified and extended by the explanatory statement. Of particular interest are the explanatory statements appearing under section II which not only proscribe subversive activities against Japanese troops, military establishments and Japanese military plans and interests but also make punishable "disrupting finance and economy" (1); causing "unfavorable effects on the economic and financial policies" (4); violating orders restricting the "importation of gold, silver or Japanese bank notes from Japan or Manchukuo" (6); engaging in speculation and exchange transactions and obtaining illegal profits (8); and violating the "orders that have been or will be issued in the future by the Japanese troops restricting the transportation of bank notes and commodities and any restrictions placed on economy and finance" (9). Also of interest are the explanatory statements appearing under Section III which, although declaring that Japanese military regulations do not conflict with the orders normally issued by Japanese consulates in China, appear none the less to imply that these military regulations largely supersede Japanese consular jurisdiction inasmuch as violators of consular orders

- 4 -

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orders are to be tried by military law. The Department's attention is also called to the fact that the explanatory statement makes punishable any criticism of the national policies of Japan or the purposes and the program of the Japanese army (II-2), or any speech or activity harmful to the reputation or integrity of the Japanese troops (II-5). The particular regulations referred to would appear to be aimed at those third power nationals who have in the past or who may in future in any way criticise the Japanese policies or the Japanese military.

There may be several explanations for the issuance of this proclamation at the present time. It is not improbable that it was designed to emphasize the determination of the Japanese military and naval authorities to complete the "holy task" of bringing the present hostilities to a speedy and successful conclusion and to stress the fact that those authorities intend to brook no interference by others, not excluding third power nationals. On the other hand so sweeping are the powers, including administrative and judicial powers, which the Japanese military and naval authorities have assumed by the terms of the proclamation and the explanation appended thereto that it is difficult to dismiss the supposition that the proclamation was issued to make clear to occidentals, Chinese puppet regimes, Japanese politicians and perhaps even to the Japanese Government itself exactly where the real authority in occupied China lies. In brief
the

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- 5 -

the proclamation appears to indicate a resumption by the Japanese fighting forces of the complete and extensive control exercised by those forces during the earlier stages of the hostilities, but gradually diminished by the creation of such bodies as the China Affairs Board, over all economic and financial policies as well as the thoughts, acts, persons and properties of those residing in the occupied areas. One is led to speculate whether the task of General Abe in the negotiation of a treaty with the Wang regime will not be rendered more difficult by this pointed declaration concerning the real source of authority in occupied China.

Respectfully yours,

For the Consul in Charge
at Shanghai:

E. F. Stanton

E. F. Stanton
American Consul

Enclosures:

- 1-2/ Japanese and Chinese texts of the proclamation issued by Japanese military and naval headquarters together with prefatory and explanatory statements appended thereto (to Department, Peiping and Tokyo)
- 3-4/ Translation of Joint proclamation issued by Japanese military and naval headquarters together with prefatory and explanatory statements appended thereto.

800

EFS:T

In quintuplicate to the Department
Copy to the Embassy, Chungking
Copy to the Embassy, Peiping
Copy to the Consulate General, Shanghai
Copy to the Embassy, Tokyo

現地海陸軍は大陸に於ける聖域の真義を更に軍民に徹底實踐せしむるに必要なる軍律を定め今固其要旨を
一 佈告し之に違背するものは我々據地城内の日支何れの人にも勝てず又第三國人に於ても同は厳正に軍罰に附
し處断することとせり。抑も東亞新秩序の建設は日支兩民族の和親を基調とし、和親の實現は凡そこの
ものが善隣協力の實を自己の使命として實踐するにあり。殊に日本人は此の推進的模範者たるべし。べ
からざることは贅言を要せざるに於て之が爲に從來各種取締命令を以て聖域の意義を伸張し努め
來れり。然れ共大陸の現状を通觀すれば無責任なる言説又は居りせんとする一方的自説を以て人心を
惑亂し又は私利私慾に汲々たるの餘り金融経済を攪亂し延ては秩序を紊亂する者あること其例
少からず。かゝる行爲が直接間接に聖域の遂行を阻礙しあるは到底看過し得ざる所として且は
最前線に於ける將兵の困苦を忘却せる天人共に許さざる行爲と云ふべし。此れ實に現地海陸軍が
從來の此の種取締命令を我々據地内に亘り統一強化すべく今固特に軍律に基き佈告を悉し之に
違背する者は監禁科料没收等の軍罰を以て處断せしむる所以にして從來と異り犯行の主体たる人の
国籍に區別を認めざることは占據地城内が臨政地たる實情を有し居るを以て同地域の安定確保
秩序保安の重任を担ふに於ける海軍としては當然のことと見るべし。抑も軍罰は罰を加ふを以て満足す
るにあらざりて人心の指導を主とす。従て現地民衆は緊張自滅の餘瀝の龜鑑となり、關係官
憲の指導を恪守し國家の存亡を憂へ、財向に割はざる公序良俗に及する行爲を戒め軍民一致克
く新東亞建設に邁進すべしとて軍は嚴に之を要求するものなり。現地海陸軍としては今固
軍律の實施に依り從來の命令を統一し、他據地城内の政院、官衙、思想等各方面が軍民一致
の下に善なる模範と作用を以て一に聖域の完成に邁進せんことを希望して上とせざるなり。
尚佈告文内容の説明は別に之を發表せり。

佈告

日本軍の正據地域に於ては、其の行爲を爲し因て同地域の治安を紊り軍の利益を害したる者は軍律に照し重罰に處す

- 一、帝國ヲ支那ニ於ケル既定政策ヲ不法ニ批判スルニト
- 二、軍人軍隊ノ思想又ハ民心ヲ擾乱スル虞アル映画、出版、講演又ハ集会ヲ爲スニト
- 三、宣撫、宣傳、治安ニ作テ妨害シ又ハ妨害スル虞アル行爲ヲ爲スニト
- 四、非常警備又ハ警防演習施行ノ爲ナレタル官憲ノ命令其ノ他、措置ニ致ナク從ハガルニト
- 五、軍ヲ誹謗スル言動ヲ爲スニト
- 六、軍官公署又ハ軍人若ハ官吏ノ名ヲ不正ニ使用スルニト
- 七、支那側政治機關、其ノ隸屬機關、學校若シテ諸團體、軍又ハ典醫院、監督ニ在ルル会社ニ於テ勤務職務スル顧問、職員其ノ他一切ノ者ニテ其ノ職務ニ關シ不正ノ請託ヲ受ケ財産上ノ利益ヲ收受シ要索シ又ハ拘束スルニト（前項ノモノト共犯ノ關係ニアル行爲ヲ爲スニト）
- 八、其他人ニテ容れられ、秩序ヲ紊乱シ又ハ金融、經濟ヲ擾乱シ又ハ其ノ虞アル行爲ヲ爲スニト

昭和十五年六月十一日

支那派遣軍總司令官
支那方面檢隊司令長官

佈告説明

一 軍部により處断せらるべき行爲

苟くも治安を害し軍の利益を害する行爲は凡て處罰せらるべきにして何等に掲げたるものは其一例なり

二 故に何等に掲げたるもの、外次の如きものは当然軍部に附せらるべきこと固より能行の主体として人の國籍に区別を設けず

いんを惑亂し秩序を紊亂し金融經濟を擾亂する行爲に因る一切の場合

(1) 支那に於ける帝國の國策に対する場合は勿論然るも軍の方針及趣旨に対する批判は固より之により善良なる場合

(2) 従つて右に及する管理の代表執行を爲すか如き行爲

(3) 軍の存立及作戦に悪影響を與ふる行爲は勿論軍に於て是等は金融思想上の対策に悪影響を與ふる場合

(4) 軍を誹謗する場合は固より其の威信を害するが如き言動

(5) 要許すの制限に及して地金銀又は日本紙幣を日本並に滿洲國より輸入する行爲

(6) 作戦の遂行一般生産振興の爲す所と認めらるる權利濫用行爲

(7) 商取引上の實需に基きこゝろ不當の利益を目的とする板板竊取等不正なる取引行爲

(8) 軍の徴収又は今徴収すべき通貨物資移動制限等金融經濟に違反する行爲

(9) 軍及軍人官吏の爲に費用する場合を以て軍人軍服の服裝を濫用し偽裝する行爲及假名又は他

人を義によりて不當なる利益を目的とする行爲に名義貸與

(10) 在米居住する日本人又は第三國人の爲に於て支那人が行ふ行爲又は支那人の爲に於て日本人が行ふ行爲

には一應處罰を義が採用せらる

三、軍罰の施行は其他の法令及軍令を排斥せず

(1) 領事館令との関係

(1) 現地に於て發佈せられたる領事館令とは併行す

(2) 領事館令は軍罰の指導目的に従つて却つて強化運用せらる

(3) 故に既成又は今後設けらるべき領事館令の取締に違反し治安を紊り軍の利益を害する場合は亦軍罰により處断せらる

(4) 因より領事館令は支那人第三國人には適用せず上述の趣旨に反し因て軍の利益を害するに至るときは軍は本邦の立場に於て等しく之を處罰す

(5) 日本内地の法令にして現地に迄適用せらるる法令との関係刑法其他の刑罰又は取締法令は軍罰と併行して行ける

(6) 支那政府の禁ずる取締令は当然支那人に対し同時に適用せらる

四、軍罰に處せられたる場合は本邦地及関係官公署に通報せらる

曰陸海軍當局聯合發表宣言

曰在華陸海軍為使在軍事區域內之軍民，對於此次事變之真義，作更徹底之實踐計，特制定必要之軍律，凡我軍事地域域內之居民，不問其為中日國民或第三國僑民，有故意違反者，一併予以嚴懲，夫東亞新秩序之建設，乃以中日二民族之親睦為基礎，而親睦云者，須各人均奉善隣互助為自己之使命予以履行，方克有成，而日本人之尤應以身作則，示人以法以推進此使命之模範，更不待贅述，因之過去本軍等賞公布各種取締命令，努力於戰爭意義之闡明，然概觀大陸現狀，以不負責任之言論或旨在利己之單位的自說，惑亂人心，或竟在汲汲於私利私慾之餘，出諸擾亂金融經濟，乃至治安秩序之行為者，頗不乏其例，此種行為直接間接均足阻礙戰爭使命之完成，實難置之不問，現地陸海軍此次發布軍律，統一並強化過去之取締命令，凡違反此新令者，一律處以

第二頁

監禁、罰款及沒收等，蓋新令與舊令不同之處，為新令不問犯罪者之國籍為何，均同樣辦理，抑軍罰不以處罰為完事，而以指導人心為其主要目的，尚望現地民衆自肅自慎，勿有違反公序良俗之行為，軍民一致，邁進於東亞之建設，現地陸海軍，甚望由此大軍律之實施，過去之弊病得以剷除，各地域內政治經濟思想等各方面，在軍民一致之下，以善良之機能及作用，勇往邁進於戰爭目的之完成。

布告原文

在軍事區域內，凡有下列各行為，紊亂該區內之治安，侵害軍隊之利益者，一律按照軍律嚴懲：

- 一、妄自批評日本之既定政策
- 二、足以擾亂軍人、軍隊之思想及民心之電影之開映、書報之出版、講演及集會、
- 三、防礙宣撫、宣傳及治安工作之行為，暨有防礙上項工作之虞

第三頁

之行為、

四對於實施非常警戒、或警防^演習之官憲之命令及措置、作無理
由之違反、

五、作誹謗軍隊之行動

六、冒用軍政機關及軍人官吏之名義、

七、服務於中國政治機關、及其附屬機關、學校、或各種團體暨

隸屬軍隊、或與軍院監督之各公司之顧問職員等、利用職

務、接受不正當之請托、或收取、索取乃至約束財產上之利益

或與上項人物作共謀之行動、

八、其他煽惑人心、擾亂秩序、操縱金融經濟之行為、及有引起

上述罪行之虞之行為

布告說明

(一)依軍罰辦理之行為

凡擾亂治安、侵害軍隊利益之行為、悉按軍律處罪、市

第四頁

告內所揭舉者僅其一例而已

(二) 故除本告內所揭舉者外，有下列行為者當然亦依軍罰辦理，且不因犯罪人之國籍為何而有區別：

一、由煽惑人心、擾亂秩序及破壞金融經濟各行為所引起之行為

二、對於日本國策之批評，及對於日軍之方針及旨趣之批評，固不待言，即因此而引起之擾亂善良組織之統一及推引之為亦同、

三、發表或解釋違反七項規程定之學理、

四、予日軍之存在及作戰以不良影響之行為，固不待言、予

日軍所採行之經濟金融及思想政策以不良影響者亦同、

五、誹謗軍隊、自不待言，即足以損害軍隊之威信之言行為亦同、

六、違反限制命令、自日本及滿洲運入金銀或日軍紙幣

七、濫用權利、使作戰之完成及生產之擴充發生阻礙、

第五頁

八、漠視商業之實在需要，作旨在獲取不當利益之投機及套利行為

九、違反日軍所頒布或今後將頒布之限制通貨物資之移動等，經濟金融各取締令之行為

十、冒用軍隊及軍人官吏之名義，固不待言，即濫用冒用軍人軍屬之服裝，以及假借他人名義，以期獲取非分之利益之行為，暨名義之借用、

十一、已往華人借日本或第三國人名義，所作之行為，或日本人借中國人名義所作之行為，今後當採取更進一層之嚴懲主義

三、軍罰之施行，不妨礙其他之法令及軍令、

一、各領事館命令，因係在現地頒布之命令，並行不悖、

二、領事館命令，因軍罰之指導目的，及將予以強化及運用、

三、違反現行或將來領事館令之取締，擾亂治安、侵害日軍

第六頁

之利益時、亦按照軍罰辦理、

四、領事館令雖不適用於華人及第三國人、但若違反上述之旨趣、因而日軍之利益蒙受損害時、日軍當自其來之立場、同時予以處罰、

乙、如適用於現地之日本國內法令之關係

刑法、刑罰及其他取締法令、與軍罰並行不悖、

丙、中國政府所頒之取締法令、當然同時適用於中國人

(四) 受軍罰之宣判時、當通知犯罪人之原籍地及關係官公署、

(完)

Enclosure No. 3

(TRANSLATION)

SOURCES: NANKING SEND PAO
Nanking, China
June 12, 1940.
NANKING TAIRIKU SHINPO
Nanking, China
June 12, 1940.

Translated: WST:JCI

Checked: ERS

Joint Proclamation and Prefatory and Explanatory
Statements Issued by Japanese Military
and Naval Headquarters in China

The Headquarters of the Japanese Military and Naval Commandants in China issued a joint statement yesterday (11th) afternoon at 3 p.m. as follows:

"For the purpose of enabling soldiers and civilians in the areas of military activities thoroughly to put into practice the true ideas motivating the present hostilities, the Japanese army and navy have specifically drawn up the necessary military regulations. Civilians in the areas of military activities who deliberately violate them shall be severely punished regardless whether they are Chinese, Japanese or nationals of third powers. The building of a New Order in East Asia is based on the foundation of amity between the two nations. Amity can only be achieved if every individual regards good neighborliness and mutual cooperation as his own task and puts them into practice. In so far as the Japanese are concerned it is unnecessary to reiterate that they should be examples and should show others that they are models for the promotion of this task.

"We have in the past issued restrictive orders and made efforts to explain the meaning of the hostilities. However, in view of the situation on the continent there have been numerous instances where irresponsible and one-sided statements have been made to cause disturbances among the people and to upset finance and economy and even public order for selfish ends. As such

activities

- 2 -

activities are sufficient both directly or indirectly to obstruct the completion of the task of the hostilities they cannot be ignored. Therefore, the Army and the Navy now proclaim the following military regulations and at the same time consolidate and strengthen the restrictive orders issued in the past. Those who violate these new regulations shall be punished by imprisonment, fines, or confiscation of property. The difference between the old and new regulations are that the latter inflict the same punishment on the guilty parties without regard to their nationality. However the new military regulations do not merely inflict punishment; their chief aim is to guide the minds of the people. It is hoped that the people will remain peaceable and be careful not to violate public order and good customs. Soldiers and civilians should proceed concertedly in the construction of East Asia. The Land and Sea Forces hope that the enforcement of the military regulations will eliminate the malpractices of the past and that politics, economy, and thought in the various districts will progress actively towards the achievement of the purpose of the hostilities under the concerted action of both troops and civilians.

Proclamation

In the areas of military activities those mentioned in the following categories who are found to be disturbing public order and endangering the interests of the troops shall be punished according to military regulations.

1. Those who criticise the fixed policy of Japan.
2. Those who give lectures, hold meetings, publish books and periodicals, and show motion pictures which are calculated to disturb the thoughts of soldiers and the minds of the people.
3. Those who interfere with the work of pacification,

propaganda.

- 3 -

propaganda, and peace and order and engage in activities which are liable to obstruct the work mentioned above.

4. Those who unreasonably disobey the orders or arrangements of the authorities for the enforcement of emergency precautions or the practice of such precautions.
5. Those who make slanderous attacks on the troops.
6. Those who forge the seals of military and civil offices or the names of army and navy officers.
7. Those who work in Chinese government offices, schools, or other organs and the advisors and employees of the army or the various enterprises of the China Affairs Board, who, taking advantage of their position, agree to illegal requests, or receive, demand or take over control of properties or other interests and those who work in conjunction with the persons mentioned above.
8. Those who instigate and stir up the minds of the people, disturb order, monopolize finance and those who carry on activities which may lead to the commitment of the above mentioned misconduct.

4

Explanatory Statement

I. Activities that are liable to military punishment.

Those who disturb public order and endanger the interests of the troops shall be punished according to military regulations.

II. Apart from the matters mentioned in the proclamation those who are found to be engaged in the following activities shall be subject to military punishment and no distinction shall be made as regards the nationality of the culprit.

1. Those who are engaged in activities which may lead to the stirring up of the minds of the people, disturbing order or disrupting finance and economy.

2. Those who criticise the national policy of Japan or the purpose and the program of the Japanese army and also those who indulge in activities which tend to frustrate the unification and promotion of useful organizations.

3. Those who announce or expound a theory which runs counter to the above regulations.

4. Those who engage in activities that tend to affect the establishments and the military activities of the Japanese troops and also those who try to cause unfavorable effects on the economic and financial policies and the ideology of the Japanese troops.

5. Those who slander the troops and also those who by speech or activity harm the reputation or integrity of the Japanese troops.

6. Those who violate the order which restricts the importation of gold, silver, or Japanese bank notes from Japan or Manchukuo.

7. Those who misuse their power and obstruct the comple-

tion

- 2 -

tion of hostilities or the increase of productivity.

8. Those who, without regard to actual business requirements, obtain illegal profits by engaging in speculation and exchange transactions.

9. Those who violate the orders that have been or will be issued in the future by the Japanese troops restricting the transportation of bank notes and commodities and any restrictions placed on economy and finance.

10. Those who forge the names or seals of troops, army officers and officials and those who illegally wear military uniform or who forge the name of another person with a view to obtaining illegal profits.

11. Those Chinese who in the past carried on activities in the name of the nationals of Japan or third powers, or those Japanese who carried out similar activities in the name of Chinese. In the future more severe measures will be enforced.

III. The enforcement of the military regulations will in no way conflict with other laws and military orders.

1. Relation between these regulations and orders issued by Japanese Consulates.

a. These regulations do not conflict with the orders promulgated by the consulates at various places.

b. The orders of the consulates will actually be strengthened and can be better utilized under the guidance of these military regulations.

c. Therefore those who violate the present or future orders of the consulates disturb peace and order and endanger the interests of the Japanese troops shall be dealt with in accordance with military regulations.

d.

- 34 -

4. The orders of the consulates do not apply to Chinese and third power nationals but in case the above regulations are violated causing damage to the interests of the Japanese troops, similar punishment shall be imposed by the latter.

2. These regulations conform to the domestic laws of Japan. The Penal law and other laws of punishment and restriction are in accord with these military regulations.

3. At the same time the laws and restrictive regulations promulgated by the Chinese Government are naturally applicable to Chinese nationals.

IV. When judgment is given inflicting military punishment, notification will be served at the native place of the culprit and at the appropriate government offices.

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

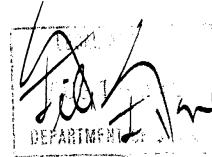
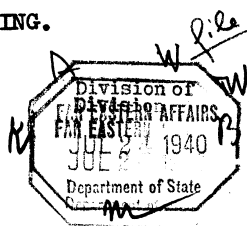


THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN EMBASSY
Tokyo, June 20, 1940.

No. 4795.

SUBJECT: BOMBING OF CHUNGKING.



RECEIVED
DEPARTMENT OF STATE

1940 JUL 23 PM 1 50

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COMMUNICATIONS
AND RECORDS

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The Honorable

The Secretary of State,
Washington.

Sir:

With reference to our telegram No. 450, June 14,
7 p.m., I have the honor to transmit herewith a copy of
1/ the Embassy's translation of a note received from the
Japanese Minister for Foreign Affairs, Asia I, 8/Go,
dated June 14, 1940. This note, which informs us of the

plans

F/FG

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plans to increase the severity of the bombing attacks against "enemy forces and establishments in and around Chungking" and urges the American Government temporarily to evacuate American citizens and establishments to a safe place, crossed the representations made on the basis of the Department's telegraphic instruction No. 197, June 13, 5 p.m. Immediately upon receipt thereof I called upon Mr. Arita and carried out the Department's instructions with emphasis and with appropriate reference to previous representations which we have made on the subject of the bombing of Chungking. Copies of the memorandum of this conversation, to which reference was made in our 451, June 14, 8 p.m., are enclosed.

The Department's telegram No. 202, June 14, 7 p.m., was fully expected and immediately upon receipt thereof an appointment with the Minister for Foreign Affairs was sought. Mr. Arita sent word that he was occupied and requested that I see the Vice Minister. I replied that my instructions were definitely to see the Minister himself but the reply came that Mr. Arita was engaged in urgent affairs of state and that he could not see me until the following day. In view of the urgency of the matter, I therefore called upon the Vice Minister within an hour and, after reading and handing him the formal note in accordance with the Department's instructions, I requested that he bring both the note and my oral representations immediately to the attention of Mr. Arita. This Mr. Tani promised to do. There are enclosed copies of our note, No. 1564, June 15, 1940, and copies of the memorandum of my conversation with the Vice Minister for Foreign

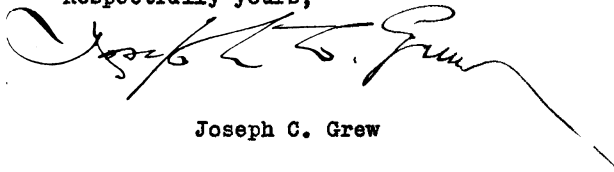
Affairs

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Affairs, to which reference was made in our telegram
No. 452, June 15, 6 p.m.

Confirming our 463, June 18, 8 p.m., there is en-
5/ closed the Embassy's translation of note No. 121,
American I, from the Minister for Foreign Affairs,
dated June 18, 1940, in reply to our note of June 15,
1940, above referred to. Briefly, this reply maintains
the right of the Japanese forces to bomb Chungking,
which is described as strongly fortified, and avers that
the greatest precautions are taken to avoid damage to
interests and property of third powers. It concludes,
however, by stating that the attacks upon Chungking will
continue and that the Japanese Government cannot accept
responsibility for "unavoidable damage which may occur
as a result of these military activities".

Respectfully yours,



Joseph C. Grew

Enclosures:

- 1/ From Minister for Foreign Affairs, June 14, 1940.
- 2/ Conversation, June 14, 1940.
- 3/ Note No. 1564, June 15, 1940, from Embassy to
Minister for Foreign Affairs.
- 4/ Conversation, June 15, 1940.
- 5/ From Minister for Foreign Affairs, June 18, 1940.

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ESC:nn

Original and 3 copies to the Department.
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 D. Gustafson NARS, Date 12-18-75

Enclosure no. / to despatch
no. 4795 dated June 20, 1940
from the Embassy at Tokyo.

Translation by the American Embassy, Tokyo, of a
note in Japanese received from the Foreign Office
on June 14, 1940.

LWS:C

Asia I, 8/Go

Ministry of Foreign Affairs,

Tokyo, June 14, 1940.

Excellency:

For some time past the air forces of the Imperial
army and navy have been attacking enemy forces and es-
tablishments in and around Chungking. It is planned to
increase hereafter the severity of these attacks. In
the city of Chungking there are American citizens and
American interests to which the Imperial forces are
endeavoring by every means to prevent injury. It is an in-
controvertible fact, however, that the Chinese forces fre-
quently approach third country establishments and construct
anti-aircraft gun emplacements and other military facilities.
For this reason, it is feared that in spite of the extreme
care exercised by the Imperial forces, in the midst of severe
fighting it will not be possible to prevent unavoidable in-
cidents affecting American citizens and establishments.

The Japanese Government urges, accordingly, that the
American Government take prompt measures to evacuate to a
safe place temporarily, until the termination of our bombard-
ment of Chungking, American officials and citizens. The
Japanese Government does not intend to attack the areas

southward

His Excellency
Joseph Clark Grew,
Ambassador Extraordinary and Plenipotentiary
of the United States of America
at Tokyo.

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southward from Tan Tze Shih on the south bank of the Yangtze River facing the city of Chungking to Lung Men Lao (not including Hai Tong Chi). The Japanese Government cannot, however, accept responsibility should unforeseen circumstances arise if American officials and nationals remain in areas other than those mentioned above.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Hachiro Arita,
Minister for Foreign Affairs (Seal).

Copy to British Embassy;
" " French Embassy.

Enclosure No. 2 to despatch
No. 4795 dated *June 20, 1940*
from the Embassy at Tokyo

Conversation

June 14, 1940.

The American Ambassador, Mr. Grew,
with the Minister for Foreign Affairs,
Mr. Arita.

Subject: Bombing of Chungking.

I called this afternoon on the Minister for Foreign Affairs and carried out the instructions of the Department (Department's 197, June 13, 5 p.m.) with emphasis and with appropriate reference to previous representations which we have made on the subject of the bombing of Chungking.

The Minister replied that he invariably passed our representations on to the military authorities whose reports generally showed discrepancies with our own reports. With regard to Chungking the military authorities maintain that they exercise the utmost care and that they attack only military objectives. I replied that their indiscriminate bombing of civilian populations is not a matter of speculation but of fully confirmed fact. I thereupon re-read to the Minister pertinent portions of Ambassador Johnson's 438, July 13, noon, 1939, which had already been brought to his attention on June 2. I spoke as on my own initiative of the serious risks that are being incurred.

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

Enclosure No. 3 to despatch
No. 4795 dated June 20, 1940,
from the Embassy at Tokyo.

The American Ambassador to the Japanese Minister for
Foreign Affairs.

EMBASSY OF THE
UNITED STATES OF AMERICA

Tokyo, June 15, 1940.

No. 1564.

Excellency:

Although Your Excellency's note of yesterday with regard to the bombardment of Chungking by Japanese forces was received and brought to my attention yesterday afternoon shortly after our meeting at five thirty o'clock, it is of course obvious that the note was prepared prior to the representations in regard to the indiscriminate bombing of that city which I made at that time. I am now directed by my Government to inform Your Excellency in effect as follows:

The attitude and position of the Government of the United States in regard to warnings such as that conveyed in Your Excellency's note have been made clear on several occasions to the Japanese Government. The Government of the United States cannot accept the view that the city of Chungking in general is a legitimate target for air attack.

There are a considerable number of American citizens at Chungking and there is American property at Chungking. The Government of the United States maintains there an office of its Embassy to China and a gunboat, the U.S.S.

His Excellency
Mr. Hachiro Arita,
His Imperial Japanese Majesty's
Minister for Foreign Affairs,
etc., etc., etc.

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TUTUILA. The American citizens at Chungking are there pursuing legitimate activities. The American officials stationed at Chungking, including the American Ambassador to China, are there pursuant to their official duties in maintaining the diplomatic relations of the United States with China. Notwithstanding the fact that Your Excellency's note indicates that the Japanese Government does not intend to attack certain areas on the south bank of the Yangtze River, in which areas the American Embassy is situated, experience of Japanese bombing operations has amply demonstrated the fact that when any extensive area is subjected to attack there results serious hazards to the lives of all persons in the vicinity, with oftentimes injury to many persons. While American officials have consistently advised, and will continue to advise, American nationals to withdraw from areas in which special danger exists, such American nationals are under no obligations to do so, and in some cases find withdrawal impossible. Accordingly, the Government of the United States looks to the Japanese Government to avoid any military operations which would imperil the safety of American nationals and property at Chungking and will expect to hold the Japanese Government responsible for any injury or loss to American nationals occasioned by acts of Japanese armed forces.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

JOSEPH C. GREW

Copy to the British Embassy, Tokyo.
Copy to the French Embassy, Tokyo.

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

Enclosure No. 4 to despatch
No. 4795 dated June 20, 1940
from the Embassy at Tokyo

Conversation

June 15, 1940.

The American Ambassador, Mr. Grew,
with the Vice Minister for Foreign
Affairs, Mr. Tani.

Subject: Bombing of Chungking.

Upon receipt of the Department's instructions this afternoon (Department's 202, June 14, 7 p.m.) I immediately sought an appointment with the Minister for Foreign Affairs. The Minister sent me word that he was occupied and asked me to see the Vice Minister. I replied that my instructions were definitely to see the Minister himself but the reply came that Mr. Arita was engaged in urgent affairs of state and that he could not see me until tomorrow. In view of the urgency of the matter I therefore called at 5:30 this afternoon on the Vice Minister and after reading and handing to him my formal note drafted in accordance with the Department's instructions I requested that he bring both the note and my oral representations immediately to the attention of the Minister. This Mr. Tani promised to do.

In the course of the oral representations I repeated what had been said yesterday to the Minister with regard to the attitude of the Government of the United States toward ruthless bombings of civilian populations and spoke of the indiscriminate character of the bombings of Chungking that have heretofore taken place and of their net results as reported by Ambassador Johnson from personal observation, involving the killing of large numbers of civilians without attaining any legitimate military
objective.

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

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objective. The grave hazards to the lives of American citizens and to the safety of American property were then set forth and the deplorable effect on American public opinion and on relations between the United States and Japan in the event of the injuring or killing of American nationals by Japanese bombing operations was represented and emphasized with all possible vigor and gravity.

The Vice Minister said that as I was communicating a message to the Minister for Foreign Affairs the latter would convey his reply to me in due course.

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

Enclosure no. 5- to despatch
no. 7745 dated June 20, 1940
from the Embassy at Tokyo.

Translation by the American Embassy, Tokyo, of a
note in Japanese received June 18, 1940, 4:50 p.m.,
marked "Urgent".

No. 121, American I Ministry of Foreign Affairs,
Tokyo, June 18, 1940.

Excellency:

I have the honor to state that I have carefully
perused the contents of Your Excellency's note dated
June 15, 1940, in which you set forth the views of the
American Government with regard to the advice contained
in my note of June 14, concerning the withdrawal of
American nationals at Chungking to a safe place during
the present bombing of Chungking by Japanese military
forces.

Chungking as the military and political center of
the Chiang Kai-shek regime is strongly fortified, and
within and without that city there are grouped the Supreme
Military Headquarters, every sort of government office,
military affairs committees, Supreme National Defense com-
mittee, central military officers training school, and
military arsenals, military uniform factories, arms and
ammunition storehouses and other military buildings.
In view of the fact that that regime using Chungking as
a base of operations is waging war in resistance to Japan,
the

His Excellency
Joseph Clark Grew,
Ambassador Extraordinary and Plenipotentiary
of the United States of America,
Tokyo.

-2-

the Imperial Army has lawful reason to destroy that base. Bombing attacks have been and are being continued, therefore, against those Chinese military emplacements. It need not be said that these bombing attacks cover a relatively large area owing to the fact that the objectives are scattered at various places inside and outside the city.

The Imperial Army and navy air forces have on each occasion before a bombing attack thoroughly investigated, on the basis of maps and other information previously received from third Powers, the existence, whereabouts, etc., of third Power interests and property at the place to be attacked; and even at the cost of detriment to military operations have always carried out these activities with the greatest precaution to avoid causing damage to interests and property of third Powers. The Chiang Kai-shek régime, however, have on many occasions deliberately located their various military emplacements and other military establishments in close proximity to interests and property of third Powers. When making bombing attacks against those objectives, the Imperial air forces are always subjected to anti-aircraft artillery fire and attacking enemy planes against which they defend themselves. In such cases, therefore, damage may be caused to non-combatant Chinese nationals or to interests and property of third Powers by stray shells or some other aftermath of the bombing attack. Damage of that sort must be said to be unavoidable during such military activities, and is entirely uncontrollable. In view of the above situation, to say simply that the Japanese air forces

-3-

forces are making indiscriminate bombing attacks is to ignore the justifiable activities and the spirit of the Japanese air forces, and is beyond the understanding of the Imperial Government.

The Japanese military forces will not hereafter relax their attack on Chungking. Extensive bombing attacks will be made on the various military organs and establishments of the Chiang Kai-shek régime inside and outside of that city in order to destroy completely those organs and establishments. The Japanese Government cannot accept responsibility for unavoidable damage which may occur as a result of these military activities. In this connection, the Imperial Government earnestly hopes that Your Excellency's Government on its part, in consideration of the above possibility of unforeseen damage occurring, will give further profound thought to the remarks set forth in the Ministry's previous note dated June 14, 1940.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Hachiro Arita,
Minister for Foreign Affairs (Seal).

TELEGRAM RECEIVED

AC

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

Hong Kong via N.R.

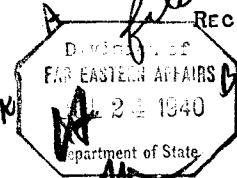
FROM

Dated July 24, 1940

Rec'd 11:10 a.m.

Secretary of State

Washington



277, July 24, 11 a.m.

Chinese troops, said by the Chinese Magistrate
at Shumchun to number about 10,000, of whom many are
regulars, began an attack this morning on Japanese
forces along the Kowloon frontier. Japanese troops
are much ^{inferior} in numbers. Chinese attack appears to be
coming from behind Japanese military forces Shumchun
with a movement to the west to cut off possible
Japanese retreat to Namtao. There is yet no definite
indication whether attack is serious or a feint.

Sent to the Department. Repeated to Chungking,
Canton, Peiping.

SOUTHARD

TFV

793.94/16075

F/FG

TELEGRAM RECEIVED

AC

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

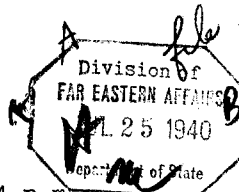
Hong Kong via N.R.

Dated July 24, 1940

Rec'd 3:20 p.m.

Secretary of State

Washington



278, July 24, 4 p.m.

Reference my 277, July 24, 11 a.m.

Fighting on the Kowloon frontier between the
Chinese and Japanese was still audible as late as
2 p.m. today with indications that the Chinese were
in retreat. If, as the authorities here consider
possible, only the advance Chinese forces have been
engaged there will likely be rushed considerable
Japanese reinforcements to the frontier thus possibly
causing another alarm in Hong Kong.

Present Japanese forces on the frontier are estimated
at 900 actual Japanese and 3,000 puppet troops the
latter not being well armed. Chinese object is thought
to procure reopening of Miao Bay trade route.

Sent to the Department. Repeated to Chungking,
Canton, Peiping.

SOUTHARD

EMB

793.94/16076

F/FG

793.94

TELEGRAM RECEIVED

RAW

GRAY

FROM Shanghai via N.R.

Dated July 25, 1940.

Rec'd. 3:07 p.m.

Secretary of State,
Washington.

694, July 25.

My 652, July 18, 3 p.m.

Military operations in the vicinity of Chinghai,

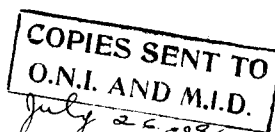
Chiang Province.

According to newspaper accounts and information from another source the Japanese forces that effected landings in the vicinity of Chinghai have been withdrawn. From the available information it is not known whether they were driven out by Chinese counterattacks or withdrew of their own volition.

Sent to the Department. Repeated to Chungking, Peiping. By air mail to Tokyo.

BUTRICK

TFV



793.94/16077

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

July 30, 1940

ASSISTANT SECRETARY OF STATE

AUG - 1 1940

MR. LONG

~~KOR~~

~~OK~~

~~DOM~~

~~WAM~~

Chungking's despatch no. 582, July 3, 1940, "Bombing of Chungking on June 27, 28 and 29, 1940".

The Embassy believes "it is no exaggeration to say that more than fifty percent of the buildings" in the city of Chungking have been damaged or destroyed and that it is "a tribute to the courage and tenacity of the inhabitants" that they are remaining in "what has undoubtedly been the most heavily bombed city in the world".

See summary.

793.94/16078

WIO

FE:Weil:MHP

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 582.

Chungking, July 3, 1940

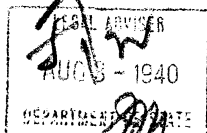
Subject: Bombing of Chungking on June 27,
28 and 29, 1940.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

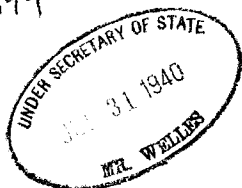
1940 JUL 25 AM 9 44

DIVISION OF
COMMUNICATIONS
AND RECORDS



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793.94



For Distribution-Check		Yes	No
Grade	To Field		
For	In U.S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
OAT-MCD-			

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

7/30/40

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

In continuation of my despatch no. 579 of June 28, 1940, and in amplification of my telegrams no. 302, June 27, 4 p.m., no. 303, June 28, 7 p.m. and no. 307, June 30, 11 a.m., regarding further Japanese aerial attacks on Chungking on June 27, 28 and 29, 1940, I have the honor to submit the following additional details and comment in regard to these attacks.

Summary. There are details of the Japanese aerial attacks of June 27, 28 and 29, the raid of June 28 being especially destructive of property. Chungking presents a scene of wide-spread devastation, but the populace stays grimly by. A welcome respite of three days' duration has followed six days of intensive bombardment.

On

793.94/16078

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AUG 3 1940

F/FG

AIR MAIL

- 2 -

On June 27 Embassy observers watched three groups consisting of eighty-six Japanese heavy bombers (the press reported a total of ninety-nine planes) carry out a heavy attack on the educational and industrial areas in the Shapingpa (沙坪壩) district to the west of the City of Chungking. Many bombs fell on the campus of National Central University, wrecking a laboratory building, the machine shop (from which the machinery and tools had previously been removed) and a number of faculty residences. It appears that the main class buildings escaped serious damage. There were no casualties on the campus. It is reported that the Yü Foong Cotton Mill, damaged in previous raids, was struck during the course of this raid, but the extent of this further damage has not yet been ascertained. Other damage in the Shapingpa district is believed to have been slight.

On June 28 the Japanese resumed attacks on the city, no less than eighty-six bombers being observed to take part in the operations which were of a particularly intensive and wanton nature. Two groups comprising a total of fifty planes heavily bombed the western part of the city, while another group of thirty-six planes dropped numerous heavy demolition bombs in the lower and central portions of the city. Although it is possible that the Japanese were endeavoring to destroy an arsenal and the municipal power plant which were in the line of flight of the bombers operating in the western district and that the group operating in the central district had the headquarters of the Military Affairs Commission as their objective, yet the fact remains that none of these was damaged in the raid. Unfortunately, shop and residence buildings and even a few occupied as governmental offices did not escape so lightly. On the contrary, the destruction of buildings of this category was very great, especially in the neighborhood of the British Consulate General and on the central shopping street in the downtown area. Two very heavy bombs fell in the premises of the British Consulate General causing further damage and the adjoining French Consulate was shaken by explosions. Other foreign-owned properties in this area receiving damage included the China Inland Mission and the National Bible Society of Canada. Bombs were observed to fall on a cement plant but little damage appears to have resulted. A portion of the building housing the Ministry of Communications was destroyed in the course of this raid, and the premises occupied by the Minister of Finance sustained further damage. The main building occupied by the Central Publicity Board was ignited by an incendiary bomb and some damage was done before the fire could be put down. The Chinese Y.W.C.A. was completely destroyed.

The valuable Chungking High School property of the American Methodist Episcopal Mission, which had escaped damage in previous raids, was bombed in the course of this bombardment, five bombs falling on the campus. One bomb made a direct hit on the south wing of the hospital building, causing a partial collapse of the wing and destroying valuable medical equipment including a X-ray machine. A building utilized by the mission as a primary school was

slightly

AIR MAIL

- 3 -

slightly damaged when a bomb exploded nearby, and another small building owned by the mission was partially destroyed. Fortunately, there were no casualties, as students, patients, instructors, nurses, et cetera, had taken shelter in dug-outs located on the premises. An American representative of the mission informally estimated that total losses, including destruction of medical equipment, would approximate \$7500 United States currency (See my telegram no. 303, June 28, 7 p.m.).

A library building located on the campus of the Chungking High School, which is reported to be owned and operated by the Boone Library School of the American Church Mission, was shaken by bombs falling in the immediate vicinity. Damage appears to have been confined to broken window panes and fallen plaster. Representatives of the library school have not communicated with the Embassy in regard to the matter.

The Japanese continued to attack metropolitan and western suburban areas on June 29. Two groups of 54 planes attacked the Liang Lu Kou area in the western part of the City, dropping numerous demolition and incendiary bombs. Bombs fell all around the French Embassy thus rendering it uninhabitable; the office of the French Embassy has been removed to Lungmenhao on the South Bank of the Yangtze. The offices of the National Resources Commission of the Ministry of Economic Affairs were damaged during this raid, as were the offices of the Political Department of the Military Affairs Commission. A lumber yard and a pencil factory were destroyed by fire. However, as in previous raids, privately-owned properties were the chief sufferers. Casualties were insignificant. Another squadron of about 36 Japanese planes bombed the Tsechikou (瓷器口) area west of Chungking on June 29, causing further damage to the National Central University. A vegetable oil cracking plant was struck but not seriously damaged during this attack. Casualties were negligible. No American-owned property appears to have been affected.

The extent of the property damage inflicted on Chungking since the resumption of Japanese aerial attacks in May of this year has now reached wide-spread proportions. Bombs have fallen in virtually all portions of the city, and it is no exaggeration to say that more than fifty per cent of the buildings in the city have been damaged or destroyed. In some areas block after block of debris, charred timbers, gaunt framework and scattered brick and tile meets the eye and scarcely an intact or habitable building is to be seen. Notwithstanding all this destruction and the apparent inevitability of further attacks, an attempt is being made to clear away the debris and it is not uncommon to see householders patching up the remnants of once intact habitations. It is a tribute to the courage and tenacity of the inhabitants that they persist in remaining in what has undoubtedly been the most heavily bombed city in the world.

The last three days have afforded a welcome lull after six consecutive days of intensive attacks on

Chungking

AIR MAIL

- 4 -

Chungking and vicinity. The respite apparently is attributable not to voluntary inactivity on the part of the Japanese Army air force but to unfavorable weather conditions. The Chinese population has welcomed the "auspicious rainfall" (喜雨) of the past three days, not so much because it has prevented the Japanese from pressing the attack on Chungking but because it has narrowly averted the threat of a drought in Szechuan.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Original (by air mail) and four copies to the Department
Copy to Embassy, Peiping
Copy to Embassy, Tokyo.

711.6/710

EFD:MCL

X

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

July 30, 1940

~~WAK~~ RB
~~GP~~
~~ROM~~
~~MMH~~

Chungking's despatch no. 588, July 10, 1940, "Conditions in Pingshih and Tungpeh, Honan, and Tsaoyang, Hupeh, in Wake of Japanese Invasion in May and Early June".

In a letter dated June 12 an American missionary reported to the Embassy that the Japanese army after ~~its~~ occupation of Tsaoyang in May and June burned the whole city, as a result of which the Lutheran Brethren Mission's chapel was partially destroyed.

The missionary also describes the suffering of Chinese Christians taken from their homes by Japanese troops.

In conclusion the missionary in question expresses his inclination to say "Damn their new order, Damn the whole Japanese military outfit".

793.94/16079

~~WU~~
FE:Weil:MHP

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 588.

Chungking, July 10, 1940

Subject: Conditions in Pingshih and Tungpeh,
Honan, and Tsaoyang, Hupeh, in Wake
of Japanese Invasion in May and
Early June.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

1940 JUL 25 AM 10 12

DIVISION OF
COMMUNICATIONS
AND RECORDS

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For	In U.S.A.	<input checked="" type="checkbox"/>	
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AUG 13 1940

793.94 / 16079

The Honorable

The Secretary of State,

Washington, D. C.

Sir:

1/ I have the honor to enclose for the Department's information and records a copy of a letter dated June 12, 1940, received by the Embassy on July 8, 1940, from the Reverend Arthur E. Nyhus, an American citizen associated with the Lutheran Brethren Mission at Pingshih, Honan. Apart from the references to losses sustained by the Lutheran Brethren Mission in consequence of the alleged acts of Japanese armed forces in the course of their invasion of south Honan and north Hupeh in May and early June 1940, Mr. Nyhus' letter is chiefly interesting for its observations in relation to the actions and conduct of the invading forces. Particularly interesting is Mr. Nyhus' statement that the Japanese Army burned

Tsaoyang

AUG 14 1940

FILED

F/FG

AIR MAIL

- 2 -

Tsaoyang at the time of evacuation, leaving it "but an unsightly mass of charred ruins" and as yet another monument to Japan's "new order in East Asia".

The Embassy is requesting Mr. Nyhus to supply information of a more specific character in regard to losses sustained by American interests as a result of the acts of the armed forces participating in the hostilities, in order that protests may be lodged in the proper quarters.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Enclosure: ✓

1/ Copy of letter dated June 12, 1940,
from the Reverend Arthur E. Nyhus.

Original (by air mail) and two copies to the Department
Copy to Peiping
Copy to Tokyo
Copy to Yunnanfu
Copy to Hankow

360/711.6/710

EFD:MCL

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. 588 dated July 10, 1940,
from American Embassy at Chungking on subject of "Con-
ditions in Pingshih and Tungpeh, Honan, and Tsaoyang,
Hupeh, in Wake of Japanese Invasion in May and Early June".

(C O P Y)

Pingshih, Honan
June 12, 1940

The American Embassy,
Chungking, China.

Honorable Sirs:

Postal service is now fairly well re-established after
the recent hostilities in this district. Hence, I shall
endeavor to get a report off to the Embassy at this time.

The Japanese army started its march from Sinyang about
May 1. Two detachments came this way via Tungpeh; and two
passed to the north of us via Peiyang and Tangho. Pingshih
was occupied by the first detachment on May 7, and by the
second detachment on May 8. Neither group remained more than
a few hours before moving on toward Tsaoyang in which vicinity
a major battle was fought, which also the Embassy is aware of.
Here in Pingshih the troops were well behaved, and except for
the usual looting, and some burning, did no other damage.

However, our great danger was not the troops, but the
planes. During almost the whole month of May this district
was in an almost constant state of alarm owing to the con-
tinuous presence of planes. Tungpeh was bombed several
times but no hits were made on the mission property. Pingshih
and vicinity was bombed five times, but here also, no hits
were made on our property. However, on May 6, a great number
of incendiary bombs were dropped within this small town which
caused violent fires destroying about 600 chien of Chinese
houses. This fire spread to our east station property setting
fire to, and destroying three rooms with all contents. Further
damage caused by the bombing is 35 panes of glass, and several
doors ruined by the concussions.

Tangho too, although bombed a number of times, escaped
with scarcely any damage to the mission property.

All through the month of May I was without information
as to what was transpiring in Tsaoyang, owing to the place
being occupied by Japanese troops. On June 5 a messenger
brought me the information telegraphed to the Embassy on
June 6. Then on June 7 another messenger came bringing the
information telegraphed on June 8. On June 8, I departed
by bicycle for Tsaoyang arriving there the same day. I
found the Chinese christians which had been taken away on
June 1 just returning. They had been taken in the direction
of Suhsien, as far as to the town of Lishan, which is about
140 Chinese li from Tsaoyang. As could be expected, they
were a pitiful group. Nearly all the children has dysentery,
and nearly all both children and grownups, had sore eyes.

Fortunately

- 2 -

Fortunately I had some necessary drugs along which worked wonders for them. On the whole they had not been too badly treated by the Japanese, and none were missing.

As I reported to you by telegraph, I found the mission station at Tsaoyang occupied by the local magistrate, and all the different departments of the magistracy. The propaganda dept. had the church. The magistrate and his guards had the foreign house. While the deputy magistrate and various other depts. had the guest rooms, and workers quarters. Here examination of offenders was proceeding with the use of torture accompanied by the howlings and pleadings of the accused. However, after a considerable amount of parleying they agreed to move out. This they did after a some time, which settled that affair.

During the attack on Tsaoyang one small bomb fell within the mission, damaging one of the kitchens and classrooms. However, I was told by the Chinese that Mr. Werdal accepted settlement from the Japanese on the spot after their arrival there. Hence, nothing can be said about damages for this.

But after the people had all been evacuated from the city, and just as the Japanese army was about to leave, they burned the whole city. At that time our street chapel was also set afire. However, one of our christians had evaded the Japanese when the others were rounded up, and he remained on the property during the succeeding days. He managed to keep the fire from reaching the rest of our buildings. Therefore our chief damage in Tsaoyang amounts to two "chien" of our chapel being burned. If any looting was carried out by the gang accompanying the magistrate I cannot say. Only Mr. Werdal, and Mr. Aandahl Sr. could make a check up on that.

Tsaoyang is now nothing but an unsightly mass of charred ruins. It used to be a very nice city, but now, alas!, has its place among the many others of Japan's "new order in east Asia". I am not given to cursing, but if I was, I am sure people would hear me say, "Damn their new order, Damn the whole Japanese military outfit". We sometimes talk about refined suffering and misery. But the misery and suffering which they are able to inflict is coarse, raw, and horrible. I have long ago seen enough to fill me with disgust at the whole system they bring with them; and were it not for the fact that I am needed here I would not be here, but back in our good old U.S.A.

At present conditions here have quieted down considerably. Planes still come and go, but the last bombing at this place was on May 26. We were greatly relieved to receive the Embassy's telegram informing us that Werdals had arrived safely in Hankow. I still do not know the reason for evacuating them from their station.

Thanking for all past and expected help I remain,

Very respectfully yours,

(Signed) Arthur E. Nyhus

Arthur E. Nyhus.

(True copy: *AB*)
(Compared:)

TELEGRAM RECEIVED

323

CORRECTED COPY

FROM

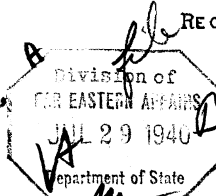
AS
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (A)

Tokyo

Dated July 26, 1940

Rec'd 8:32 a.m.

Secretary of State,
Washington.



COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

618, July 26, 4 p.m.

STRICTLY CONFIDENTIAL.

Reports just received from our Consuls at Kobe and
Osaka indicate the purpose of the Japanese to accumulate
large stocks of aviation gasoline at Hainan Island. They
state that the Japanese military have placed orders with
the major American oil companies for 550,000 barrels of
aviation gasoline to be shipped in drums for delivery in
South China and Hainan before October 1st, 1940.

GREW

TFV

793.94/16080
FILED
JUL 1 - 1940

224

TELEGRAM RECEIVED

FROM

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

Tokyo

Dated July 26, 1940

Rec'd 8:32 a.m.

Secretary of State,
Washington.

July 26, 4 p.m.

STRICTLY CONFIDENTIAL.

Reports just received from our Consuls at Kobe and
Osaka indicate the purpose of the Japanese to accumulate
large stocks of aviation gasoline at Hainan Island. They
state that the Japanese military have placed orders with
the major American oil companies for 550 barrels of avia-
tion gasoline to be shipped in drums for delivery in
South China and Hainan before October 1st, 1940.

GREW

TFV

793.94/16080

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 strictly confidential telegram of July 26, 1940,
 from the American Ambassador at Tokyo reads substantially
 as follows:

That the Japanese intend to accumulate at Hainan
 Island large stocks of aviation gasoline is indicated
 by reports which have just been received from our Consulate
 at Osaka and Kobe. According to these reports, orders
 for 550,000 barrels of aviation gasoline which is to be
 shipped in drums and delivered before October 1, 1940,
 in Hainan and South China have been placed with the
 larger American oil companies by the Japanese military.

FE:EGC:MHP N FE
 7/29/40

TELEGRAM RECEIVED

FROM

Hong Kong via NR

Dated July 26, 1940

Rec'd 10:35 a.m.

ATP

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

Secretary of State,
Washington

283, July 26, noon

Reference my telegram No. 278 July 24, 4 p.m.

Situation on the Kowloon frontier quiet yesterday and today.
Japanese are estimated to have had 100 killed and wounded
in the fighting. Arrival of Japanese reinforcements
not yet but they have installed two and possibly three
anti aircraft guns on the frontier which may later be of
concern to commercial planes.

Usually reliable sources here think that Chinese
may be gathering for an attack of some force against the
Japanese on the frontier. British military are taking
precautions to prevent violation of frontier if and when
Chinese do attack.

Sent to the Department, repeated to Chungking, Canton,
Peiping.

SOUTHARD

CSB



793.94 / 16081

F/FG

TELEGRAM RECEIVED

225

RDS

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

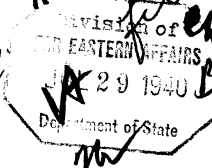
Chungking via N.R.

Dated July 27, 1940

Rec'd 11:40 a.m.

FROM

Secretary of State,
Washington.



COPIES IN PARAPHRASE
SENT TO C.N.I. AND
M.I.D. IN CONFIDENCE

363, July 27, 10 a.m.

2/169V

Two American newspaper correspondents in Chungking who are believed to be accurate observers and who are constantly in close touch with Chinese in official and private life have reported to the Embassy that since the closing of the Burma route to the shipment of certain commodities to China they have discerned a very marked increase both in public and private Chinese quarters of discussions and conversations in relation to the subject of peace and rapprochement with Japan. These informants assert they have knowledge that this topic has been discussed freely even by prominent Chinese officials and say the view is becoming rather general that hostilities will be concluded within the next six months and the capital moved back to Nanking. (END SECTION ONE)

JOHNSON

NPL

793.94/16082

F/G

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793.94

TELEGRAM RECEIVED

226

RDS

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

FROM

Chungking via N.R.

Dated July 27, 1940

Rec'd 11:40 a.m.

Secretary of State,
Washington.

363, July 27, 3 p.m. (SECTION TWO)

The Embassy is inclined to concur in the view that the recent action of the British authorities concerning the Burma route which has perhaps affected the Chinese morale and the will to resist more adversely than any development since the fall of Hankow and Canton may have given rise to a certain amount of "peace talk" in Chungking. But the Embassy feels on basis of its investigation and consideration of the subject that this manifestation has sprung largely from unfounded rumor and baseless conjecture and that no (repeat no) great significance can be attached to it. In the past month the Embassy has on several occasions reported the determination of China and its leaders to continue resistance; and the Embassy adheres to the belief that this position has not been modified as a result of recent developments. In recent informal conversations high officials of the Foreign Office have expressed the view that "China must now fight on single handed" that Japan and especially the Japanese military are not willing to grant reasonable terms to China and that the Japanese may be expected

227

-2- #363, July 27, 3 p.m. (SECTION TWO), from Chungking via
N.R.

expected in the near future to launch another large scale
military offensive probably with Chungking as the final
objective in a final desperate effort to crush Chinese
military resistance. If this offensive were launched,
China would have no alternative but to fight on with all
the resources at its command.

Sent to Department. Repeated to Peiping. Peiping.
Mail code text to Tokyo.

(END OF MESSAGE)

JOHNSON

EMB

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

228

CONFIDENTIAL

PARAPHRASE

CONFIDENTIAL

A telegram (no. 363) of July 27, 1940, from the American Ambassador at Chungking reads substantially as follows:

Since the closing of the Burma road to the shipment to China of certain commodities, a very marked increase has been noticed in conversations in Chinese quarters, both public and private, in regard to the matter of rapprochement with Japan and peace, according to reports received from two American press correspondents in Chungking who are in close contact at all times with Chinese officials and Chinese in private life and who, it is thought, are accurate observers. These correspondents declare that, to their knowledge, even prominent Chinese officials have discussed the subject of peace and rapprochement with Japan, and that the opinion is becoming somewhat general that within six months there will be an end of hostilities and the capital will be moved back to Nanking.

The Embassy is disposed to agree with the opinion that the action taken recently by the British in connection with the Burma road which has perhaps had a more adverse effect on the will to resist and the morale of the Chinese than any occurrence since the fall of Canton and Hankow may have been

DECLASSIFIED: E.O. 11652, 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-

been the cause of some peace talk in Chungking. It is the Embassy's feeling, however, based on its consideration and investigation of the subject, that baseless surmises and unfounded rumors have been responsible for this manifestation to which no great significance can be attached. Recent developments have not changed the opinion of the Embassy as reported several times during the past month to the effect that China and its leaders are determined to keep up resistance to Japan. The opinion has been expressed recently by high Foreign Office officials during the course of informal conversations that Japan and the Japanese military in particular are unwilling to grant China reasonable terms, that now China must fight on alone, and that before long the Japanese may be expected to begin another military offensive on a large scale, Chungking probably being the final objective in a last desperate attempt to crush the military resistance of the Chinese. China's only alternative would be to continue fighting with all the resources it could muster if such an offensive were begun.

EQC.
 FE:EGC:BLS
 8/1/40

FE

TELEGRAM RECEIVED

JIL

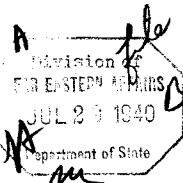
This telegram must be
closely paraphrased be- FROM
fore being communicated
to anyone. (br)

HANOI VIA NR.

Dated July 28, 1940

Rec'd 11:45 a.m.

Secretary of State,
Washington. K



July 28, 3 p.m.

General Nishihara left Hanoi by plane this morning
for Tokyo. It is generally believed that he has been
recalled and, according to some sources of information,
because of his too lenient policy. The same sources
anticipate more drastic demands on Indochina, and for
permission to pass troops across Indochina. In any event
the General's departure will probably further delay the
settlement of the question of resumption of traffic with
China and the reexportation of cargo now in Indochina.
Sent to Cavite for repetition to the Department, Chungking,
Peiping, Hong Kong.

REED

CSB

793.94/16083

F/FG

793.94

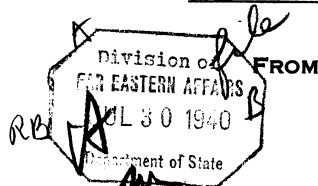
250

893.24

FE

TELEGRAM RECEIVED

REB



GRAY

FROM Shanghai via N. R.

Dated July 29, 1940

Rec'd 1:35 p. m.

Secretary of State,
Washington.

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

706, July 29, 2 p. m.

Reference my 694, July 25. Military operations in
the vicinity of Changhai.

According to a report from a usually well-informed
source, the Japanese landed approximately 1,000 men at
Changhai. At that time a typhoon arose and it was
necessary for the Japanese transports and naval vessels
to leave immediately the dangerous waters in the vicinity
of Changhai. Consequently the thousand men unsupported
by artillery and short of equipment are reported to have
been wiped out by vastly superior numbers of Chinese.

According to press reports the Japanese airforce
has bombed southern section of the Shanghai-Hangchow-
Ningpo Railway still under Chinese control.

Sent to Department. Repeated to Chungking, Peiping.
By airmail to Tokyo.

BUTRICK

TFV

793.94/16084

F/FG

793.94

229

TELEGRAM RECEIVED

atp

GRAY

FROM

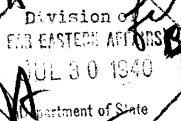
SHANGHAI VIA NR

Dated July 30, 1940

Rec'd 4:25 a.m.

Secretary of State,

Washington



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

712, July 30, 11 a.m.

Incident of July 7. Reference my 659, July 22, 1 p.m.

In a letter dated July 25 which has now been translated

Major General Miura states that Colonel Peck's reply was entirely contrary to his expectations and "absolutely unacceptable for the purpose of settling this incident amicably". General Miura's letter which is lengthy and bombastic practically accuses Colonel Peck of bad faith. For example, reviewing some of Colonel Peck's statements he says "by these facts, I regret that I have to doubt your sincerity toward the investigation of the facts" While Colonel Peck's reply to General Miura was in course of preparation yesterday Rear Admiral Glassford received a letter dated July 28 from Lieutenant Commander Fujita, senior military commander in the Shanghai area. A summary of that letter follows.

"The outrageous and impolite conduct which the members of the United States Fourth Marine regiment committed in Shanghai against the Japanese gendarmes

on

793.94/16085

F/FG

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

-2- #712, July 30 11 a.m. from Shanghai via NR
on July the 7th of this year injured the prestige of the
Japanese army and in spite of ~~the several successive~~ *egv*
parleys at which the commander of the Japanese gendarmes
did his utmost, we cannot recognize any sincerity or
good faith in the measures taken by your authorities.

(END SECTION ONE)

BUTRICK

RR

TELEGRAM RECEIVED

JR

FROM GRAY

Shanghai via N. R.

Dated July 30, 1940

Rec'd 10:40 a.m.

Secretary of State,
Washington.

712, July 30, 11 a.m. (SECTION TWO)

We are exceedingly regretful that a settlement of this affair has not yet been reached. Does not the attitude of the United States Marine Corps side of deceiving themselves and others by glossing over and quibbling over very evident facts which are apparent in this incident conflict with the spirit of justice and righteousness which is the traditional character of the American military forces? We believe that the above is extremely deplorable on the part of your forces. In view of the previous friendly relations we believe that such an attitude may have a great influence on our future relations. For the sake of a settlement of this affair by those responsible, I again call your attention to the fact that it should be settled as speedily as possible." Admiral Glassford yesterday prepared a reply which after consultation with Colonel Peck and myself was despatched to General Fujita last night. It reads as follows:

"I have the honor to acknowledge the receipt of your
letter

DECLASSIFIED: E.O. 11652, 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- #712, July 30, 11 a.m. (SECTION TWO) from Shanghai.

letter of the 28th instant in regard to what you describe as the outrageous and impolite conduct which the members of the United States Fourth Marine Regiment committed in Shanghai against the Japanese gendarme on the 7th instant. You inform me that the prestige of the Japanese army has been injured thereby and that in spite of (?) at which the Commander of the Japanese gendarme did his utmost, you cannot recognize any sincerity or good faith in the measures taken by the American authorities concerned, to whom you impute deceit and quibbling. You call my attention to the fact that this incident should be settled as speedily as possible.

END SECTION TWO.

BUTRICK

TFV

NOTE: Repetition requested on (?)

TELEGRAM RECEIVED

JR

GRAY

FROM

Shanghai via N. R.

Dated July 30, 1940

Rec'd 10:40 a.m.

Secretary of State,
Washington.

712, July 30, 11 a.m. (SECTION THREE)

It appears that on the 7th instant Colonel de Witt Peck, United States Marine Corps, commanding the Fourth Regiment of marines at Shanghai, a contingent of the Shanghai Defense Forces, had occasion personally to order the arrest and temporary detention of 16 members of the Imperial Japanese Gendarmerie who were within the American Defense Sector under circumstances which in the opinion of Colonel Peck warranted the action he took.

It develops that as a result of detailed investigations by the Japanese authorities that the gendarmes are confidently believed by the Japanese authorities to have been subjected to the use of unnecessary force and to maltreatment at the time of arrest and subsequent to arrest. Furthermore, it is represented that the gendarmes suffered humiliation by their public arrest and thereby, as well as by the above alleged maltreatment, the Japanese army has suffered loss of prestige at the hands of the United States naval service of which the United States

Marine

-2- #712, July 30, 11 a.m. (SECTION THREE) from Shanghai.

Marine Corps in a unit,

The above allegations of the use of unnecessary force and maltreatment of the 16 gendarmes are not substantiated, as no doubt you are aware, by the investigations of this incident directed by Colonel Peck, who informs me that the investigation has been exhausted and that accordingly he is satisfied with its findings. END SECTION THREE.

BUTRICK

WWC

TELEGRAM RECEIVED

EN

GRAY

FROM

Shanghai via N. R.

Dated July 30, 1940

Rec'd 10 a.m.

Secretary of State,
Washington.

712, July 30, 11 a.m. (SECTION FOUR)

Your imputation of insincerity and lack of good faith in the measure taken by the American authorities concerned, and your imputations of deceit by glossing and quibbling over details of this incident would be intolerable did I not prefer in the interest of preservation our good relations to consider them as unexpressed to a flag officer of the United States Navy by an officer of your high rank, position and prestige.

As senior United States naval officer on the spot I ask that you permit me to point out that an apology for alleged particular wrongs under these circumstances cannot be expected. Permit me to say further that if the Japanese military authorities feel under all the circumstances of this incident, that the Japanese army has suffered insult or loss of prestige at the hands of the United States naval service, then I wish to express unhesitatingly my wholehearted regret that such should be the case. In these expressions of regret Colonel

Peck,

-2- #712, July 30, 11 a.m., from Shanghai.

Peck, United States Marine Corps, joins me of course.

With these expressions tendered in good faith and all sincerity I trust you may see your way clear to take steps to close the incident.

I am giving no publicity to your letter, hence expect that no publicity will be given to my reply.

I am, Sir, with respect"

Sent to the Department, repeated to Chungking, Peiping and Tsingtao for the information of Commander-in-Chief. Code text by air mail to Tokyo.

BUTRICK

WWC

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 230

TO BE TRANSMITTED
CONFIDENTIAL CODE
X NONCONFIDENTIAL CODE X
PARTAIN
PLAIN
Gray

RECEIVED
Department of State

1940 AUG 1 AM 11 44

Washington,
AUG 1 1940

July 31, 1940.

AMEMBASSY,

TOKYO (JAPAN).

COPIES SENT TO
O.N.I. AND ~~M.I.D.~~ *Central Div.*
also MTO.

RUSH

Shanghai's 712, July 30, 11 a.m., and previous.

One. Unless you perceive objection, please call on the Minister for Foreign Affairs as soon as practicable and, as under express instruction, make an oral approach along lines as follows:

This Government
~~The Department~~ has carefully reviewed the correspondence between the American and the Japanese military authorities at Shanghai who are dealing with the incident of July 7 involving American Marines and Japanese gendarmes. *This Government*
~~The Department~~ considers that the attitude of the American authorities, as reflected in the communications which they have addressed to their Japanese associates and in the reports which they have made to their Government, has been consistently restrained and reasonable. Without undertaking to express an opinion with regard to the attitude of the Japanese authorities, *this Government*
~~The Department~~ has noted with regret that the tone of and language used in some of their

Enciphered by

Sent by operator

M.

19

735.94/16085

F/FG

No 76
711.94

J.W.B.

noon

8/2

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

PREPARING OFFICE
 WILL INDICATE WHETHER

Collect

Charge Department
 OR

Charge to
 \$

TELEGRAM SENT

221

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE
 PARTAIR
 PLAIN

Department of State

Washington,

-2-

communications, especially in the letter addressed on July 25 by Major General Miura to Colonel Peck and in the letter addressed on July 28 by Lieutenant General Fujita to Rear Admiral Glassford, are of a character tending to nullify any efforts on the part of the American authorities to effect local settlements of such incidents. Communications of tone and language of the character under reference do not repeat not in our opinion afford a basis for profitable discussion looking toward the effecting of local adjustments. If there is no repeat no basis for expecting local adjustments, such incidents become the subject of discussion through diplomatic channels and oftentimes become more difficult to settle than if they were handled as local matters by authorities on the spot. From his experience in the United States and his knowledge of the American people, the Minister for Foreign Affairs will readily realize the unfortunate effect upon American opinion and upon American-Japanese relations which would inevitably result should the language ^{under reference} used by Japanese authorities in addressing American officials become known to the American public.

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 D. Quisenberry NARS, Date 12-18-75

PREPARING OFFICE
WILL INDICATE WHETHER
Collect
Charge Department
OR
Charge to
\$

TELEGRAM SENT 332

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTAIR
PLAIN

Department of State

-3- Washington,

As the Secretary of State has already publicly indicated in reply to inquiries by press correspondents and as a representative of the Japanese Foreign Office is reported to have indicated, it has been hoped that a local settlement might be reached of the incident under reference. We perceive no repeat no reason why the letter addressed by Admiral Glassford on July 29 to General Fujita in reply to General Fujita's letter of July 28 should not repeat not close the incident in a manner satisfactory to all concerned.

Two. Shanghai has reported that it has sent you the code/text of its telegram no. 712, July 30, 11 a.m., by air mail. If you have not repeat not received the text, please telegraph Shanghai to repeat it to you by radio.

W. L. B. Acting

✓ CR
AUG 1 1940

793.94/16085

JWB
FE, JWB/MMH:HES

GA
FE
7.7.41.

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 D. Quisenberry NARS, Date 12-18-75

233

PREPARING OFFICE
 WILL INDICATE WHETHER

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Charge Department

OR

Charge to

\$

TELEGRAM SENT

RECEIVED
 Department of State

1940 AUG 1 AM 11 47

Washington, NAVAL RADIO
 AUG 1 1940
 July 31, 1940

TO BE TRANSMITTED
 CONFIDENTIAL CODE
 NONCONFIDENTIAL CODE
 PLAIN
 GRAY

AMERICAN CONSUL,

SHANGHAI (CHINA).

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

336

Your 712, July 30, 11 a.m.

COPIES SENT TO
 O.N.I. AND ~~W.D.~~
 also M.I.D.

The Department is telegraphing the Embassy at Tokyo

as follows:

✓ QUOTE (Telegraph Section: Please insert here the
 NO 237, August 1, noon
 entire text of the attached telegram to Tokyo) UNQUOTE.

Please inform Admiral Glassford and Colonel Peck of
 the contents of the telegram to Tokyo. Also inform the
 Commander in Chief.

Sent to Shanghai. Repeated to Chungking and
 Peiping.

Wells Peiping

793.94/16085

793.94/16085

FE:MMH:HES

GA *James*
 FE
 m.m.f.

Enciphered by _____

Sent by operator _____ M., _____, 19 _____

D. C. R.—No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

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

EH

GRAY

FROM

Shanghai

Dated July 30, 1940

Rec'd 1:40 p.m.

Secretary of State,
Washington.

713, July 30, noon.

Brawl between American marines and Japanese civilians.

Reference my 665 July 20, 1 p.m.

The matter has been investigated by the Fourth Marines but it has been impossible to ascertain the guilt of the marines owing to the unwillingness of the two injured Japanese and the Japanese proprietress of the Pacific Cafe, which is apparently a combination bar and bawdy house, to assist in indentifying the persons who committed the assault. Yesterday Colonel Peck and I called upon the Japanese Consul General and after expalining the above circumstances informed him that solely u n the statement made by him that the men guilty of the assault were American marines in uniform we expressed our regret that Japanese citizens were thus injured by American marines. Colonel Peck gave assurances that there would be no recurrence of the incident and informed

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

793.94/16086

F/FG

note
711.94
893.102 S

-2- 713, July 30, noon, from Shanghai.

informed the Japanese Consul General that the establishment had already been placed out of bounds. The Japanese Consul General stated that under the circumstances any claims for indemnification were waived by the Japanese and the incident was considered settled.

The morning newspapers today carry brief accounts of our "apologies".

Sent to the Department, repeated to Chungking, Peiping; by air mail to Tokyo.

BUTRICK

WWD

CROSS-REFERENCE FILE

NOTE

SUBJECT

Removal of portion of rails; damage to tracks and bridge:
Yunnan-Indochina Railway.

Reporting on-, sets forth motive, stating that French Consul General states that, under orders from Chinese government, preparations have been made, whereby further damage to railway would be possible, with a view to allowing Chinese forces time to reach the border before Japanese forces had penetrated deeply.

For the original paper from which reference is taken

See Tel #361; 9am
(Despatch, telegram, instruction, letter, etc.)

Dated July 26, 1940 From China (Chungking) (Johnson)
To _____

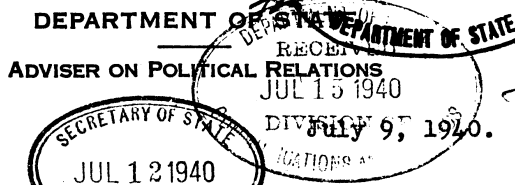
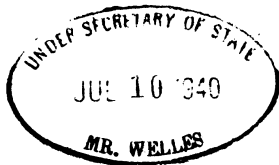
File No. 893.77/3285

FRG

793.94 / 16087

793.94 / 16087

334



In a letter from Nelson Johnson dated Chungking June 18, I find a paragraph as follows:

"This thing that we are compelled to witness here in Chungking is beyond all description in its brutality. These daily visits of a hundred or more bombers swinging back and forth over a city of helpless people who cower for hours in dug outs where many are overcome just by the bad air, accompanied by the general migration into the country up over the hills, old and young, mothers carrying babies under the hot sun, up, up, the hills, resting by the way side. Last night the ferries worked till nearly midnight carrying them back across the river."

Mr. Johnson concludes his letter with the statement:

"Of course I do not intend to go away from Chungking while this particular crisis is on."

PA/H:SKH:ZMK

793.94/16083

JUL 26 1940

WILCO

F/FG

sup

793.94
203
793.94116

TELEGRAM RECEIVED

JR

PLAIN

Chungking via N. R.

FROM

Dated August 1, 1940

Rec'd 12:11 p.m.

Secretary of State,
Washington.

Division of
EASTERN AFFAIRS
AUG 1 - 1940
Department of State

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

375, August 1, 3 p.m.

793.94

Approximately forty four Japanese planes participated in an aerial attack on the western and southern portions of Chungking yesterday afternoon. Casualties and damage to property were apparently slight. All Americans are safe owned property. Central News Agency reports Japanese planes of yesterday also bombed Peipie (fifty kilometers northwest Chungking), Tungliang (sixty kilometers northwest of Chungking), Hochuan (seventy kilometers northwest of Chungking) and Fowchow (ninety kilometers east of Chungking) but no details are related. The same agency reports shooting down of five Japanese bombing planes and one Chinese pursuit plane in course of yesterday's aerial operations.

Sent to the Department, repeated to Paiping, Hankow, Shanghai. Shanghai please mail to Tokyo. Air mail to Yunnanfu.

JOHNSON

RR

793.94 / 16089

F/FG

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

August 7, 1940.

~~FOR~~
~~CA~~
~~FOR~~

~~JWS~~
~~MHP~~

Chungking's despatch no. 589,
July 10, 1940, entitled "Observa-
tions and Conclusions regarding
Japanese Aerial Bombardment of
Educational and Industrial Areas
West of Chungking".

To note the second paragraph
of the despatch (pages 1 and 2).

793.94/16090

~~FW~~
FE:Well:MHP

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



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 589.

Chungking, July 10, 1940

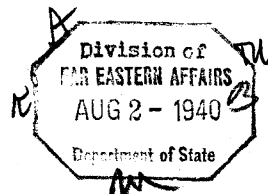
Subject: Observations and Conclusions regard-
ing Japanese Aerial Bombardment of
Educational and Industrial Areas
West of Chungking.

AIR MAIL

793.94
793.94
RECEIVED
DIVISION OF
COMMERCIAL AFFAIRS
DEPARTMENT OF STATE
AUG 12 1940

1940 AUG 1 - AM 10 53

DIVISION OF
COMMUNICATIONS
AND RECORDS



For Distribution-Check		Yes	No
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For	In U.S.A.	<input checked="" type="checkbox"/>	
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SEP 27 1940

793.94/16090

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

1/ I have the honor to refer to my telegram no. 321, July 5, 4 p.m., reporting the bombing by Japanese airplanes of suburban areas west of Chungking on July 4, 1940, and to enclose in this connection a copy of a self-explanatory memorandum prepared by a member of my staff in consequence of a personal inspection of the bombed areas.

The observation is offered that the Japanese have been successful in bombing the properties of educational institutions, but unsuccessful, on the whole, in destroying industrial properties. The conclusion is offered that the Japanese will find it very difficult if not impossible in spite of the intensity of their recent and present aerial attacks to render these industrial projects

impotent.

AIR MAIL

- 2 -

impotent. It thus seems that two cardinal theories of the present Japanese air policy against Chungking, namely, (1) that indiscriminate and intensive bombing of the City will accelerate the will of the Chinese populace to seek peace and (2) that intensive bombing of the industrial areas will interrupt domestic productive capacity, are both destined to fail.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Enclosure:

1/ Copy of memorandum.

Original (by air mail) and
four copies to the Department
Copy to Peiping
Copy to Tokyo

711.6/710

EPD:MCL

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. 589 dated July 10, 1940,
 from American Embassy at Chungking on subject of "Observa-
 tions and Conclusions regarding Japanese Aerial Bombard-
 ment of Educational and Industrial Areas West of Chungking".

July 8, 1940

MEMORANDUM

Subject: Inspection of Bombed Areas along Chengtu
 Road and Kialing River West of Chungking

The following are my observations of an inspection conducted on July 6, 1940 of the educational and industrial areas which are located to the west of the City of Chungking along the Chengtu Highway and the Kialing River. These areas have been the targets of numerous Japanese aerial bombardments since early in May of this year.

1. The suburban towns of Hualungchiao, Hsiaolungkan and Tsechikou appear to have suffered little from the attacks, only an occasional house or shop, usually of the most flimsy mud and wood construction having been destroyed. These towns present a very busy appearance in spite of constant air raids; they have experienced phenomenal development since the removal of the seat of government to Chungking, a development which springs from the partial evacuation of Chungking and the establishment of schools and factories in the vicinity of these towns.

2. Of the four large educational institutions located in these areas three have been heavily bombed and one has escaped unscathed. The Fu Tan Middle School suffered heaviest, the three main class buildings all having experienced direct hits, with the result that these buildings are in ruins. Other smaller buildings suffered varying damage. It is understood that the school authorities will not attempt to rebuild, but are planning to remove to a more isolated area. Chungking University, a provincial institution which was established in its present location on the south bank of the Kialing River several years ago, suffered extensive damage in the raid of July 4, 1940, a previous raid having caused losses of a minor character. During the raid of July 4 direct hits were made on the three largest buildings on the campus, including the auditorium and library, rendering them virtually useless. Other smaller classroom structures, laboratories, dormitories and residences were affected in varying degrees. It is understood that the school authorities will undertake the repair of the damaged buildings before the commencement of the fall term. National Central University, which adjoins Chungking University, sustained damage for the third time this year in the attack of July 4. Although about six buildings have been demolished or damaged on the campus of this University, the loss cannot be regarded as great for the reason that the buildings are of flimsy construction and can easily be replaced. It is reported that National Central University will open as usual this fall. The fourth large educational institution in the area, the

Nankai

DECLASSIFIED: E.O. 11652, 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 -

Nankai Middle School, which possesses four or five substantial structures of brick construction, has fortunately suffered no losses from the Japanese attacks.

3. It is estimated that there are at least twenty relatively substantial industrial plants located along both banks of the Kialing River extending from Chungking to a point about ten miles above the City, practically all of which have been constructed in the past two years. These include cotton mills, steel mills, arsenals and the like. In general, they are located in close proximity to the cliffs resulting from the erosion of the river. In consequence, they are not only not easily detected from the air but are also difficult targets to bomb successfully. Although no effort was made to enter any of the factories it would appear from external but careful observation that the great majority of these plants is intact or damaged to an inconsequential extent. In fact, only one mill was observed to have sustained noticeable damage, namely the Yu Foong Cotton mill which was moved from Chengchow, Honan, to Chungking. This property appears to be the largest single industrial project in the Chungking area. It is reported to have a capacity of about 55,000 spindles and the buildings cover an area probably totalling twenty square acres. Such a vast target naturally could not hope to escape detection and attacks from the air. It has now been struck in the course of three different raids carried out this year. Probably a total of at least ten bombs has fallen on or about the mill, wrecking and burning several structures. It is reported that upwards of 15,000 spindles have been damaged or destroyed. Nevertheless, it would appear that not more than a tenth of the total floor space of the mill has been destroyed. The mill continues to operate.

4. My conclusions from the foregoing observations are that the Japanese have inflicted considerable damage on educational institutions and very little damage on industrial plants in the western suburban areas of Chungking as the result of intensive aerial attacks carried out in May, June and July of this year. It would appear that the attacks on the educational institutions are of a deliberate nature, although it might be said in extenuation thereof that National Central and Chungking Universities are located about a half-mile from the Yu Foong cotton mill. But no such factories were to be observed in the immediate vicinity of the Fu Tan Middle School. It would appear that if the Japanese desire to destroy the industrial plants that have been established along the banks of the Kialing River they will find it necessary to intensify their attacks and improve upon the accuracy of their bombing. It is to be doubted whether the Japanese have the airplanes and the personnel to carry out this mission, especially when it is remembered that the attackers must fly long distances, that they must contend with bad weather and poor visibility over the greater part of the year, that they are often met with strong opposition from Chinese pursuit craft and ground fire, and that the targets are by virtue of their location difficult to perceive and to attack effectively.

EFD

EFD:MCL
 True copy
 signed *[Signature]*

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

August 6, 1940

~~RCR~~
GA

~~RCR~~
MMH

Chungking's despatch no. 592,
July 12, 1940, entitled "Text of
Radio Message Broadcast by
General Chiang Kai-shek to the
United States".

To note last paragraph,
page 2.

793.94/16091

W
FE:Weil:MHP



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 592.

Chungking, July 12, 1940

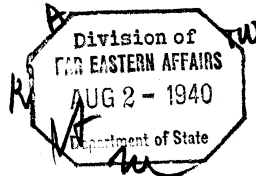
Subject: Text of Radio Message Broadcast
by General Chiang Kai-shek to
the United States.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

1940 AUG 1 AM 10 53

DIVISION OF
COMMUNICATIONS
AND RECORDS



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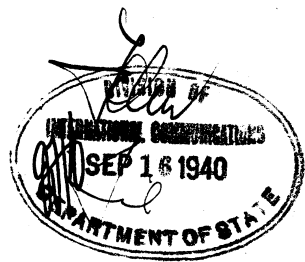
RECEIVED
COMMERCIAL AFFAIRS
DEPARTMENT OF STATE
AUG 6 - 1940

SEP 1 1940

793.94 / 16091

The Honorable

The Secretary of State,
Washington, D. C.



Sir:

1/

I have the honor to enclose as of possible interest and for the Department's files a copy in English text of a radio address delivered by General Chiang Kai-shek, at the reported invitation of the National Broadcasting Company, from Chungking on the morning of July 8 (evening of July 7 in the United States). The message was addressed to the American people and the English translation of the address was read over the radio by Madame Chiang Kai-shek immediately after the Generalissimo ceased speaking in Chinese. It is understood that the message was rebroadcast by the National Broadcasting Company's stations throughout the United States.

In brief, General Chiang affirmed China's determination to continue resistance to Japanese aggression; pointed out that the United States and China share equal responsibility

SEP 1 1940

F/FG 16091

AIR MAIL

- 2 -

in the defense of peace, justice and civilization in the Far East"; and declared that "the day has arrived for America to take decisive action." In calling upon the people of America to stop the export of war materials to Japan and to increase their support to China, General Chiang expressed the hope that they "should not only support their Government's policy, but should further exert themselves to see that it is effectively carried out."

It would seem clear from a reading of this message, as well as of a similar message addressed to the friendly Powers on July 7 (See Embassy's telegram no. 526, July 8, 12 noon for text), and from various other indications, that General Chiang continues despite the fall of France and the ascendancy of Germany and Italy on the Continent of Europe to pin his faith in ultimate and effective aid from the democratic Powers; that despite the caution and slowness with which these Powers have acted in supporting China against Japan, he still conceives it to be in China's interest to continue to go along with them rather than to seek a realignment which would put China in step with the totalitarian Powers of Europe. This policy probably derives from moral as well as practical grounds. It is a policy which is reported not to meet with the unanimous approval of Chiang's followers: Dr. Chu Chia-hua, a German-returned student who is now Secretary General of the Kuomintang, for one, is said recently to have urged adoption of a policy of closer alignment with Germany in the hope that Germany could and would assist China in curbing Japanese ambitions on the Asiatic Continent. This suggestion General Chiang is said to have rejected.

Respectfully yours,



Nelson Trusler Johnson

Enclosure:

1/ Copy in English text of radio address.

Original (by air mail) and
four copies to Department
Copy to Peiping
Copy to Tokyo

710/800

MPD:MCL

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

Enclosure no. 1 to despatch no. 592 dated July 12, 1940,
from American Embassy at Chungking on subject of "Text of
Radio Message Broadcast by General Chiang Kai-shek to the
United States".

SOURCE: CENTRAL NEWS AGENCY

English Service

Chungking, July 8, 1940

Text of Radio Message Broadcast by General Chiang
Kai-shek to the United States

To-day China stands on the threshold of the fourth year
of resistance against Japanese aggression. On this signifi-
cant occasion, I am glad to avail myself of the invitation
of the National Broadcasting Company to say a few words to
you, our American friends.

America and China, facing each other across the broad
expanse of the Pacific, share intimate and indivisible mutual
interests. Upon our two nations falls equal responsibility
in the defense of peace, justice and civilization in the
Far East.

The import of China's resistance is clear enough to the
American people, whose sympathy and support have greatly
heartened the entire Chinese nation. To you all, we are
deeply grateful.

I need not review here the course of events of the
past three years of war. Suffice to say, we, in China, have
fought under great difficulties, but always with fortitude
and perseverance. As a result of our resolute stand we have,
in a large measure, exhausted Japan's military strength so
that to-day, although she cherishes an inordinate ambition
to control the Pacific, in reality she has already lost
freedom of action. Thus the sacrifice and the struggle of
the Chinese people have not been in vain.

As you well know, three years ago, at the beginning of
hostilities, we, in China, were resolved to use all our
resources not only to ensure our own national survival but,
also, to preserve international faith, humane justice, and
world order.

In the minds of all Chinese the best way that we can
requite the assistance given to us by the American Govern-
ment and people, is to resist to the bitter end. We are
resolutely determined to continue resistance until the
Japanese militarists are thoroughly awakened to the folly
of their present course, until they lay down their arms of
aggression and are ready to honor international pacts,
especially the Nine Power Treaty. So long as this is not
realized, we will continue fighting. Whatever sacrifices
may be entailed, we will not shrink from them. We owe it to
our ancestors to defend our heritage; we owe it to posterity
to work for enduring amity.

The

- 2 -

The sympathy and good-will shown to China by the world-at-large are not indications of partiality; they emanate from a common will to safeguard human rights against the aggressor.

At this moment of world upheaval, when Japan's lust for conquest recognizes no limits, we are impressed anew with the singular value of China's past resistance, and with the weight of responsibilities yet incumbent upon us.

I dare to assure you that China shall not fail in her task; she shall acquit herself with dignity and honor. At the same time, it is my hope that all friendly States will realize their obligations to China and live up to them accordingly.

I strongly believe that our request to the American people for concerted action to restrain Japan's evil desires is fully justified, and will meet with a favorable response.

Since the Japanese aggression against Manchuria in 1931, I have noted two telling features in American opinion and policy.

First, America has consistently disapproved of Japan's brutal invasion. Despite the preoccupation in the European war, of nations friendly to China, Japan has not felt wholly free from the presence of a powerful force capable of curbing her wild ambitions in the Pacific.

Second, before taking definite action, America is always cautious and reserved; but once she is committed to a certain course, she is exceedingly firm and forthright. As President Roosevelt has stated: "Peace is not to be had for mere aspirations and empty words." From this it can be seen that America's cautiousness is a token of firmness.

The day has arrived for America to take decisive action. Japan deliberately ignores the statement made by your Secretary of State, Mr. Cordell Hull, on March 30, 1940, that the United States rejects "the use of armed force as an instrument of national policy." She is bent on defying the seriousness of the American Embargo Act. Thus, if America's fixed policy of opposing aggression is to be truly effective, if the source of conflagration on the Pacific is ever to be extinguished, now is the time. There should be no further delay in putting a stop to the export of war materials to Japan, and in giving a corresponding increase of support to China.

It is my hope that the people of America should not only support their Government's policy, but should further exert themselves to see that it is effectively carried out. As the leader of China's resistance, I wish to repeat for the benefit of our American friends what I said in 1937 that "the forces of truth and justice, once set in motion, must emerge triumphant."

(True copy:
(Compared:

204

DECLASSIFIED: E.O. 11652, 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

August 6, 1940

~~CONF~~
~~FA~~

~~CONF~~
~~FA~~

Chungking's despatch no.
594, July 13, 1940, entitled
"Bombing of Chungking on July 8
and July 9, 1940".

Please see summary, page 1.

793.94/16062

DW
FE:Weil:MHP



EMBASSY OF THE
UNITED STATES OF AMERICA

No. 594.

Chungking, July 13, 1940

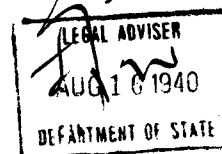
Subject: Bombing of Chungking on July 8
and July 9, 1940.

AIR MAIL



For Distribution-Check		Yes	No
Grade			
For	X		
To Field In U.S.A.			
ONI-MID			

AUG 14 1940



RECEIVED
DEPARTMENT OF STATE
COMMERCIAL ATTACHÉ
Department of State

1940 AUG 1 AM 10 12

DIVISION OF
COMMUNICATIONS
AND RECORDS

The Honorable

The Secretary of State,
Washington, D. C.

Sir:

In continuation of my despatch no. 582 of July 3, 1940, and in amplification of my telegrams no. 323, July 8, 8 p.m. and no. 330, July 9, 5 p.m. reporting further Japanese aerial attacks on Chungking on July 8 and July 9, 1940, I have the honor to submit the following details in regard to these bombardments.

Summary. The raids of July 8 and 9 caused little material damage or loss of life. No objects of military importance were destroyed. Americans and American properties escaped injury during these raids.

On July 8 three groups consisting of about eighty-eight heavy Japanese bombing machines attacked the southern and western areas of Chungking. Although it is not unlikely that an arsenal and the municipal power plant were objects of attack these were not hit or damaged. Numerous high-explosive bombs were dropped, but an inspection of the

bombed

735.94/16092

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AIR MAIL

- 2 -

bombed areas revealed that only slight damage had been caused. A residence occupied by the British Ambassador when in Chungking was partially destroyed; the Vice President of the Executive Yuan, Dr. H. H. Kung, had the misfortune to lose his second residence in a space of two weeks' time. A bus station located near the Executive Yuan was destroyed. Nowhere were there to be seen losses of a military character. Casualties were estimated to total about fifty persons of the coolie class, some of whom were caught in collapsed dug-outs. That officials and civilians of Chungking have accustomed themselves to the almost daily raids is illustrated by the fact that on July 8, the interrupted meeting of the Seventh Plenary Session of the Central Executive and Central Supervisory Committees was resumed within an hour after the conclusion of the air raid. The members apparently were not greatly disturbed by the presence of a tremendous bomb crater approximately forty feet in diameter and twenty feet in depth located in the front courtyard of the National Government building where the Session's meetings were being held. There was no injury to American nationals or their properties in the attack of July 8.

On July 9 two groups comprising between fifty-five and sixty Japanese planes raided the south-central section of Chungking and the northern suburb of Kiangpeh. The first group came from the east, flying almost directly over the premises of the American Embassy. Observers watched the great majority of the bombs fall harmlessly into the Yangtze River; and a few bombs fell in the lower part of Kiangpeh. The most serious damage resulting from this attack appears to have been the sinking of about fifteen river boats which were anchored off Kiangpeh; property damage in Kiangpeh was negligible. The second group appears to have endeavored among other things to bomb a large cement plant on the south bank of the Yangtze above Maitangchi but missed it by a narrow margin. But a number of high-explosive bombs fell in a shopping district in the south-central portion of the city, wrecking a number of shops in "book row". St. Joseph's Cathedral, operated by French Catholics, was badly damaged. The press estimated there were a total of seventy casualties for the day, probably half of whom were boatmen involved in the sinking of the river boats near Kiangpeh. Again, American nationals and their properties were not involved.

Embassy observers noted considerable aerial combat in the course of the raid of July 9, small groups of four and five Chinese fighting planes attacking each large group of Japanese bombers. Although no planes were seen by Embassy observers to fall, Chinese press despatches reported that four Japanese bombing planes were shot down and five others severely damaged. There was no anti-aircraft fire, which of course is attributable to the fact that Chinese pursuit planes were engaging the invaders over the City.

There was an alarm for about four hours on July 10, but Japanese planes did not penetrate to Chungking.

There

AIR MAIL

- 3 -

There were no alarms on July 11 and 12, and although visibility could not have been better, the city was not molested.

Respectfully yours,

Nelson Trusler Johnson

Nelson Trusler Johnson

Original (by air mail) and
four copies to Department
Copy to Peiping
Copy to Tokyo

711.6

EMD:KOL

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

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

August 7, 1940

~~WOK~~
~~JMJ~~
~~GA~~

~~RCB~~
~~JWB~~
~~MMH~~

Chungking's despatch no. 598, July 16, 1940, entitled "Substance of Leaflet
Dropped by Japanese Planes on Chungking".

To note the second paragraph of the
despatch.

The leaflet in question purports to
describe the visit of a mission sent by the
Wang Ching-wei regime to Japan and quotes
the leader of the mission as urging peace be-
tween Japan and China, and expressing the
hope that Japan would help China through
"investments and technical assistance".

793.94/16093

W
FE:Weil:MHP

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



EMBASSY OF THE
UNITED STATES OF AMERICA
Chungking, July 16, 1940

No. 598.

Subject: Substance of Leaflet Dropped by
Japanese Planes on Chungking.

AIR MAIL

RECEIVED
DEPARTMENT OF STATE

1940 AUG 1 AM 10 55

DIVISION OF
COMMUNICATIONS
AND RECORDS



For Distribution-Check				
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For		In U.S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ONI-MID				

The Honorable

The Secretary of State,
Washington, D. C.

SEP 27 1940

Sir:

I have the honor to enclose as of probable interest to the Department copies of the substance in English translation of a leaflet in the Chinese language dropped from a Japanese plane in the raid conducted on Chungking on June 29, 1940.

The leaflet is of interest chiefly in that it portrays a species of propaganda spread by the Japanese on behalf of the Wang Ching-wei regime at Nanking. But it is doubtful if that sort of propaganda is likely to receive a welcome reception in Chungking, especially since the honeyed words concerning the glories of the "New Order" are interspersed with the crash of exploding bombs which signify a more dire fate. Further, the name "Wang Ching-wei" is anathema to the average local Chinese, even of the coolie class, and it is highly improbable that any amount of propaganda, be it skilful or otherwise, is likely to convince him that the Wang Ching-wei brand of "co-operation" is advantageous to him or to his country.

Respectfully yours,

Nelson T. ...

Enclosure:

- 1/ Substance in translation
of leaflet.

Original (by air mail) and four copies to Department
Copy to Peiping
Copy to Tokyo
Copy to Nanking

820.02
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730.04/10002

OCT 2 1940

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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

Enclosure no. 1 to despatch no. 598 dated July 16, 1940,
from American Embassy at Chungking on subject of "Substance
of Leaflet Dropped by Japanese Planes on Chungking".

Substance in English translation of a Leaflet in
the Chinese language dropped by a Japanese plane on Chung-
king on June 29, 1940

The "National Government" appointed a mission to pay
a return to Japan. The Mission consisted of: Chen Kung-po
(president of "Legislative Yuan"), Special Envoy; Chu Min-
yi ("Minister for Foreign Affairs"), Assistant Special
Envoy; Chen Chun ("Minister of Interior"), Lin Po-sheng
("Minister of Publicity") and Chen Chun-hui (of "Executive
Yuan"), members; and six counselors, seven attaches and
four secretaries.

Before leaving Nanking, Chen Kung-po issued on May 16
a statement to the press stating that Japan repeatedly
indicated her desire to respect the independence and
sovereignty of China and to render effective assistance
to China; that China ought to strive for national reconstruc-
tion and other requisites of an independent nation; that what
Japan expected China to do was to share the burden of the
reconstruction of East Asia; and expressing his hope that
Chinese nationals would do their utmost and Japan would
assist China in these respects.

Upon arriving in Tokyo, Chen Kung-po issued another
statement on May 20 in which he quoted Dr. Sun Yat-sen as
having said "China and Japan are interrelated in existence
or destruction, security or danger. There would be no
China if there were no Japan, and vice versa." He stated,
inter alia, that the three principles of Konoye constituted
the main objective of the peace move and the basis for Sino-
Japanese collaboration; that efforts should be made to
exhibit to Chinese as well as Japanese nationals certain
facts that would lead them to understand that peace would
benefit China, Japan and East Asia as a whole; and that the
government and people of China expected Japan's assistance
in China's national reconstruction.

On May 23, at 10.30 a.m., Chen Kung-po was received by
Japanese emperor at the Phoenix Palace.

At a reception of the "Asiatic Development" organs,
Chen Kung-po apologized for the fact that in the past China
not only failed but also did not wish to understand Japan,
and expressed the hope that Japan would make clear her hopes
regarding China. He stated that China considered "joint
defence against communism, economic collaboration and pro-
motion of friendly relations" as the highest aims of her
efforts; that the adjustment of Sino-Japanese relations
was but the beginning of peace; that to bargain about
conditions of peace would be to lose the value of such
peace; and that Japan ought to give attention to the improve-
ment of future relations, this being the only way to obtain
genuine peace.

On

- 2 -

On June 3, Chen Kung-po spoke at an Economic Club. He said that China's national policy was to lay stress on both industry and agriculture. To shift half of the Chinese farmers to light industries would improve the people's economic strength and enable the other half of the farmers to increase production. He explained that industrial development would do no harm to Japan but would benefit Japan because it would 1) safeguard Japanese investments, 2) increase the purchasing power of the Chinese, and 3) help supply Japan with surplus farm products. He hoped that Japan would help China in the way of investments and technical assistance.

Before leaving Tokyo, Chen Kung-po issued on May 26 a press statement asserting that the fate of East Asia should be determined by the Oriental nations themselves and that the sincere cooperation of China and Japan was an indispensable requirement therefor.

Besides the above, the leaflet contained news items regarding the Mission's return to Nanking on June 4, alleging that the Mission was met at the Ming Palace airfield by over 400 people. In the editorial column there was an article commenting on the trip in which importance was attached to the necessity of avoiding such unfortunate results as those of the Versailles Treaty.

On the leaflet were printed four pictures: 1) photo of the Mission at Yonai's residence taken with Yonai and Arita; 2) photo of Chen Kung-po, Chu Min-yi and Konoye; 3) photo of the Mission arriving at the Tokyo railway station; and 4) photo of motor cars taking the Mission to a hotel.

TELEGRAM RECEIVED

RDS

GRAY

SHANGHAI VIA N.R.

Dated August 1, 1940

Rec'd 2:23 a.m., 2nd

Secretary of State,
Washington.

FROM
AUG 2 1940
Division of
FAR EASTERN AFFAIRS
AUG 2 - 1940
Department of State

July
Tel. to Shanghai
Aug. 2

729, August 1, 2 p.m. incident of July.

Reference my 712, July 30, 11 a.m. /16085

This matter is still under negotiation and a formula may yet be devised for settling it to the satisfaction of both parties.

As a background I may report that relations appear basically friendly. I was General Miura's guest at dinner on July 16 and I am having a dinner for him on August 8 to which Admiral Glassford and Colonel Peck and Consul General Miura among others are invited.

BUTRICK

EMB

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AUG 5 1940

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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. Qualen NARS, Date 12-18-75

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TELEGRAM SENT

Department of State

1940 AUG 2 PM 12 45

TO BE TRANSMITTED
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Washington, NAVAL RADIO

August 2, 1940.

1 PM

DEPARTMENT OF
COMMUNICATIONS
AND RECORDS

AMERICAN CONSUL,

SHANGHAI (CHINA). *via n k*

343

If you have not already done so, please repeat by
telegraph your 729, August 1, 2 p.m., to Tokyo, Chungking,
and Peiping.

Sent to Shanghai only.

793.94/16094

793.94/16094

Hull
(7.7.41)

CR
AUG 2 1940

GA
FE:GA:HES

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Enciphered by _____

Sent by operator _____ M., _____, 19____

D. C. R.—No. 50

1-1402 U. S. GOVERNMENT PRINTING OFFICE

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

ATP

TELEGRAM RECEIVED

GRAY
TOKYO

235 *FE*

Dated August 3, 1940

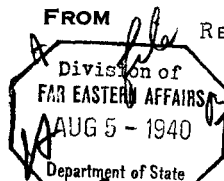
Rec'd 10:05 a.m.

Secretary of State,
Washington

661, August 3, 5 p.m.

Department's 287, August 1, noon

Shanghai incident of July 7.



COPIES SENT TO
O.N.I. A. D. G.L.D.
8/5 28 v

I today made an oral approach to the Foreign Minister along the lines indicated by the Department and then read to him pertinent portions of the exchange of letters between Colonel Peck and Major Miura and between Lieutenant General Fujita and Rear Admiral Glassford. I impressed on Minister the reasonable and restrained attitude and communications of the American authorities as contrasted with the tone and substance of the communications of the Japanese authorities. I impressed upon the Minister the importance of considering the incident closed.

The Minister said he entirely agreed with the desirability of reaching a local settlement and he hoped also that the incident could be regarded as closed. He said that he would immediately take steps in accordance with my representations.

The Minister expressed the view that much of the
trouble

AUG 6 1940

FILED

793.94/16095

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-2- #661, August 3, 5 p.m. from Tokyo

trouble is based on the impossibility of aligning the Japanese and English languages and the tone and emphasis of Japanese expressions when translated into English. Japanese officials often write in a bombastic style and use expressions which to another Japanese would mean very little but which when translated into English convey an impression out of all proportion to the meaning. He said that even today few Japanese understand why exception was taken to Ambassador Hanihara's expression "gravest consequences". I replied that some of the expressions used in the Japanese correspondence under reference were far too definite and direct to minimize on the grounds set fourth by the Minister.

Sent to the Department. Repeated to Shanghai.

GREW

TFV

ATP

TELEGRAM RECEIVED

GRAY
TOKYO

235

Dated August 3, 1940

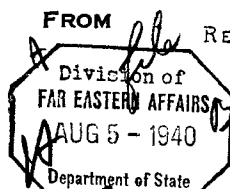
Rec'd 10:05 a.m.

Secretary of State,
Washington

661, August 3, 5 p.m.

Department's 287, August 1, noon

Shanghai incident of July 7.



COPIES SENT TO
O.N.I. AND W.I.D.
8/5 289

I today made an oral approach to the Foreign Minister along the lines indicated by the Department and then read to him pertinent portions of the exchange of letters between Colonel Peck and Major Miura and between Lieutenant General Fujita and Rear Admiral Glassford. I impressed on Minister the reasonable and restrained attitude and communications of the American authorities as contrasted with the tone and substance of the communications of the Japanese authorities. I impressed upon the Minister the importance of considering the incident closed.

The Minister said he entirely agreed with the desirability of reaching a local settlement and he hoped also that the incident could be regarded as closed. He said that he would immediately take steps in accordance with my representations.

The Minister expressed the view that much of the trouble

AUG 6 1940

FILED

F/FG

793.94/16095

826

-2- #661, August 3, 5 p.m. from Tokyo

trouble is based on the impossibility of aligning the Japanese and English languages and the tone and emphasis of Japanese expressions when translated into English. Japanese officials often write in a bombastic style and use expressions which to another Japanese would mean very little but which when translated into English convey an impression out of all proportion to the meaning. He said that even today few Japanese understand why exception was taken to Ambassador Hanihara's expression "gravest consequences". I replied that some of the expressions used in the Japanese correspondence under reference were far too definite and direct to minimize on the grounds set fourth by the Minister.

Sent to the Department. Repeated to Shanghai.

GREV

TFV

TELEGRAM RECEIVED

RDS

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

PEIPING VIA N.R.

Dated August 3, 1940

FROM

Rec'd 11 p.m.

Secretary of State,
Washington.

Division of
FAR EASTERN AFFAIRS
AUG 5 - 1940
Department of State

COPIES IN PARAPHRASE
SENT TO O.N.I. AND
M.I.D. IN CONFIDENCE

265, August 3, 2 p.m.

793.94

According to a usually fairly reliable local infor-
mant all Japanese reserve naval officers and men in Peip-
ing have recently been secretly ordered to report for duty
and a number have already departed. The informant added
that the departing men appeared to be under the impres-
sion that they were going to take part in some "big opera-
tions in the south" several mentioning the Dutch East
Indies.

It is reported by reliable foreign sources here that
during the past few weeks two divisions of Manchurian
troops dressed in Japanese uniforms have come to North
China from Manchuria in order to replace two Japanese
divisions which have reportedly left for the "south".

Sent to the Department, repeated to Chungking, code
text by air mail to Tokyo.

SMYTH

CSB

793.94/16096

F/FG

7872

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

CONFIDENTIAL

Confidential

PARAPHRASE

A telegram (no. 265) of August 3, 1940, from the American Embassy at Peiping reads substantially as follows:

Reliable foreigners in Peiping report that two divisions of Manchurian soldiers wearing Japanese uniforms have come to north China during the last two weeks from Manchuria as replacements for two Japanese divisions reported to have departed for the "south". From a source in Peiping which is usually fairly reliable it has been learned that a short time ago all Japanese reserve naval officers and men in Peiping received secret orders to report for duty and that already a number of them have left. According to this informant the men who were leaving seemed to have the idea that they were leaving to take part in some big operations "in the south". The Netherlands East Indies was mentioned by several of them.

793.94/16096

296.
FE:EQC:HJN
8/7

Rck
FE

237

TELEGRAM RECEIVED

RDS

GRAY

FROM

SHANGHAI VIA N.R.

Dated August 3, 1940

Rec'd 9:50 p.m.

Secretary of State,
Washington.



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

8/5 EJR

741, August 3, 5 p.m.

Incident of July 7. Reference my 712, July 30, 11 a.m.

Under date of August 3 Colonel Peck has replied to General Miura's letter of July 25 which was acknowledged on July 31. Colonel Peck states that he delayed answering in more detail "because the exchange of correspondence concurrently taking place between Lieutenant General Fujita and Rear Admiral Glassford had an important bearing on the subject". In regard to certain imputations made by General Miura, Colonel Peck states "You make it necessary for me to regard such parts of your letter as unfair". Colonel Peck's letter concludes as follows:

"Please note that if we were wrong we would be the first so to acknowledge and to make amends in the proper manner. In this regard permit me to say that if any facts as yet undisclosed prove that any one in my command was culpable I shall take necessary action. As to the taking of necessary measures in order that the atmosphere

(END SECTION ONE)

EMB

BUTRICK

793.94
Note
71194

793.94/16097

AUG 7 1940

FILE 55G

TELEGRAM RECEIVED

238

RDS

GRAY

FROM

SHANGHAI VIA N.R.

Dated August 3, 1940

Rec'd 11:05 p.m.

Secretary of State,
Washington.

741, August 3, 5 p.m. (SECTION TWO)

of this incident which I find with you equally unpleasant may be entirely cleared away to enable honorable men of the military profession to pave the way to agree on such measures, based on reasonable difference of points of view and customs and on the earnest desire we share to settle this matter and on my great respect and regard for you and your ample authority, a feeling which I trust you reciprocate.

Permit me to say further that if the Japanese military authorities feel under all the circumstances of this incident, that the Japanese army has suffered insult or loss of prestige at the hands of the United States marines, then I wish to express unhesitatingly my wholehearted regret that such should be the case.

The occurrence of this incident I am sure you find regrettable, equally with me, and I feel further certain that in these different methods of affording protection to General Nishio on July seventh we both acted in highest
good

239

-2- #741, August 3, 5 p.m. (SECTION TWO) from Shanghai
via N.R.

good faith. Therefore, it seems to me that we should be able to readily come to a complete settlement of this incident based on the unfortunate occurrence of the incident, the unquestioned good faith in both parties in their measures to protect General Nishio, and the mutual high respect in which each regards the armed forces of the other.

Sent to the Department, repeated Chungking, Peiping, Tsingtao for Commander in Chief. True reading by air mail to Tokyo. (END OF MESSAGE)

BUTRICK

CSB

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS 8/8

Nauvoo's Aug 4 - Noon.
Col. Sato is Vice Chief
of Staff at Canton. I
knew him in Saka as
well as Canton. He is
considered somewhat
pro-American. Has
generally been much
more friendly to foreigners
than his colleagues.

KCK

TELEGRAM RECEIVED
CORRECTED COPY

JT

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

FROM HANOI

Dated August 4, 1940

Rec'd 9:22 p.m.

Secretary of State,
Washington.

August 4, noon.

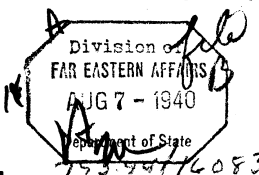
My telegram of July 28, 3 p.m.

One. There is still much speculation as to
General Nishihara's return to this country. I learn
from a Japanese source that Colonel Sato of the Canton
army is endeavoring to supplant Nishihara as head of
the Japanese commission. The same source indicates that
Sato is not likely to be conciliatory in his attitude
regarding Indochina-Japanese relations.

Two. I understand that Sato called on the Governor
General recently and discussed among other things the in-
stallation of a Japanese-operated radio station at Hanoi
and the transit of supplies from Haiphong to the
frontier for the use of the Japanese army, the transit
to be under Japanese armed guard.

Three. I am further informed that the Governor
General is replying to Japanese as having a political
character with the statement that such matters must be

referred



793.94/16098

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

-2- August 4, noon, from Hanoi

referred to the French Government and that the Japanese
are becoming irritated at what they believe to be
unnecessary delay in the settling of pending questions.

Sent to Cavite for repetition to the Department,
Chungking, Paiping, Hong Kong.

REED

WWC
CSB

See corrected copy FE
EJE
TELEGRAM RECEIVED

FROM

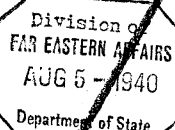
AS
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (br)

Hanoi

Dated August 4, 1940

Rec'd 9:22 p.m.

793.94
Secretary of State,
Washington.



August 4, noon

My telegram of July 28, 3 p.m. /16093

One. There is still much speculation as to General Nishihara's return to this country. I learn from a Japanese source that Colonel (?) of the Canton army is endeavoring to supplant Nishihara as head of the Japanese commission. The same source indicates that (?) (?) to be (?) in his attitude regarding Indochina-Japanese relations.

Two. I understand that (?) called on the Governor General recently and discussed among other things the installation of a Japanese-operated radio station at Hanoi and the transit of supplies (?) Haiphong to the frontier for the use of the Japanese army, the transit to be under Japanese armed guard.

Three. I am further informed that the Governor General is replying to Japanese as having a political character with the statement that such matters must be

referred

793.94/16093

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

AS-2- August 4, noon, from Hanoi.

referred to the French Government and that the Japanese
are becoming irritated at what they believe to be un-
necessary delay in the settling of pending questions.

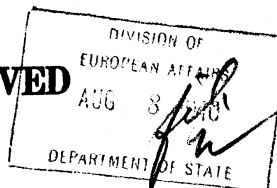
Sent to Cavite for repetition to the Department,
Chingking, Peiping, Hong Kong.

REED

WWO

Note: Repetition of garbled groups
requested.

240
TELEGRAM RECEIVED



ATP

FROM

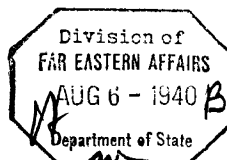
(PARIS)
Vichy

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

Dated August 4, 1940

Rec'd 1:30 p.m. 5th.

Secretary of State,
Washington



AUG 7 1940

RUSH 255, August 4, 8 p.m.

Chauvel has just informed me that Saint Quentin
has been instructed at 6 p.m. this evening to inform
you of a proposal in the nature of a Japanese ultimatum with
no time limit under which France would allow the passage
of Japanese armed forces in Tonkin and the use of Tonkin
naval and air bases on the ground that such accommodation
is imperative because of military necessity looking to
the early conclusion of the war in China. It appears
that this proposition was discussed recently between
the former governor of Indochina and Japanese military
officers. The attitude of the governor in the matter
displeased the French Government and as the Department
is aware he was replaced by Admiral Ducroux. Chauvel said
that the idea originated with the Japanese high command
at Canton and that General Ishihara has been conducting
conversations regarding it in Indochina. (END SECTION
ONE)

MURPHY

RFV

793.94
note
751.94
7519.94

733.94/16099

F/FG

241

TELEGRAM RECEIVED

JT

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

FROM

(PARIS)
VICHY

Dated August 4, 1940

Rec'd 3:40 p.m., 5th

Secretary of State,
Washington.

RUSH

255, August 4, 9 p.m. (SECTION TWO)

Chauvel said that it is evident that Konoye has no
control over the military and that Matsuoka has been
ignored in the present instance. The present proposal
made by note to Arsene Henry in Tokyo in the greatest
secrecy offers to France Japanese protection in the Far
East and full economic cooperation in that area.

There is no doubt that the offer arouses in the
French the greatest repugnance. Baudoin insisted that
Saint Quentin be advised immediately and instructed to ask
our Government what support could be given France if it
endeavored to resist with the military forces at its
disposal in Indo-China.

MURPHY

TFV

TELEGRAM RECEIVED

242

JR

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

FROM

(Paris)
Vichy

Dated August 4, 1940

Rec'd 3:09 p.m., 5th.

Secretary of State,
Washington.

RUSH.

255, August 4, 8 p.m. (SECTION THREE).

Baudoin suspects that the Japanese action is in concert with Germany. Therefore if France should attempt to resist the French Government may be faced with pressure from Wiesbaden which could be applied in any number of ways and which France obviously is unable to resist.

Chauvel said that he is convinced that the Japanese fleet which proceeded south some days ago has for its objectives both Singapore and Indochina but which was first in the program he did not know.

The conversations on this subject have occurred in Tokyo. Sawada has not participated in them. (END OF MESSAGE)

WSB

MURPHY

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

TELEGRAM SENT

243

PREPARING OFFICE
WILL INDICATE WHETHER

Collect

Charge Department

OR

Charge to

\$

Department of State

TO BE TRANSMITTED
CONFIDENTIAL CODE
NONCONFIDENTIAL CODE
PARTIAL
PLAIN

Washington,

"Br"

1940 AUG 7 AM 10 35

August 7, 1940.

11 am

AMERICAN EMBASSY,

VICHY (FRANCE).

242

STRICTLY CONFIDENTIAL.

✓ Your 255, August 4, 18 p.m. 793.94/16099

The French Ambassador here has brought this matter to our attention in the strictest confidence with an indication that the French Government would find it helpful to be informed of the attitude of this Government in regard to the matter.

In reply, we have informed the French Ambassador orally and in strict confidence to the effect that we have been and are doing everything possible within the framework of our established policies to keep the situation in the Far East stabilized.

We appreciate receiving the information contained in your telegram under reference.

OR

AUG 7 1940

FE:MMH:REK

Acting.

Enciphered by _____

Sent by operator _____ M., _____, 19 _____

D. C. R.—No. 50

1-1482 U. S. GOVERNMENT PRINTING OFFICE

793.94/16099

F/FG

MICROCOPY

976

ROLL

91

