



CHAPTER 2

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Magic

Introduction

Herbert O. Yardley was the director of Military Intelligence's cryptanalytic service MI-8 during World War I. When the war ended, Yardley and his staff transferred their code-breaking operation to New York where they continued to operate under commercial cover. This activity became known as "The American Black Chamber" and was funded by the Departments of State and Navy. The Black Chamber's most notable success was breaking the Japanese diplomatic code; the information obtained was used by the US Government during the Washington Naval Arms Limitation Conference in 1921.

In 1929, the new Secretary of State Henry Stimson terminated State's funding for the Black Chamber, which essentially ended the operation. However, the US Army took the Black Chamber files and created its own code-breaking entity, the Signals Intelligence Service under William Friedman. The US Navy also established a Code and Signal Section within the Office of Naval Intelligence in 1924. Both services devoted their efforts to breaking codes in Japanese diplomatic traffic.

The publication of Yardley's book, *The American Black Chamber*, caused the Japanese to change their code and cipher system. They developed their own "enigma-type" machine called "Red," which was used by their Foreign Ministry. In 1937 they began to use a more sophisticated machine, called "Purple" by the Americans. The Japanese entrusted their most sensitive diplomatic traffic to "Purple."

William Friedman and his staff were given the task of breaking the Japanese "Purple" code system. It was not until 1940 that they solved the puzzle. The strain of the endeavor, however, led to a nervous breakdown and Friedman's retirement as a Lt. Col. in the Signal Corps reserve.

With the solution of the Japanese Foreign Office's highest grade cryptographic system, the interception, decryption, and translation on a current basis of secret Japanese worldwide diplomatic messages began. These messages also contained Japanese intelligence activities and collection targets. The information the United States derived from this source, designated "Magic," was highly classified and closely guarded. It went only to a few of the highest-level US officials.

The items selected for this chapter pertain to Japanese intelligence activities during 1941.

Japan Discovers the United States is Reading Its Codes

A series of dashes in the translations indicate that a portion of the original encrypted text was not intercepted, was garbled, or could not be decrypted.

On 5 May 1941, Japanese Ambassador Nomura was informed by his superiors in Tokyo that it appeared the US Government was reading his coded messages. This information was obtained from the Germans by Japanese Ambassador to Germany, Osima, who then informed Tokyo. Although Ambassador Nomura requested additional details, the Germans refused to divulge the source of its information.

Ambassador Nomura conducted an investigation and, on 20 May 1941, informed Tokyo that he confirmed that the United States was reading some of the Japanese codes. He did not reveal his source in the message but indicated he would send the details by courier.

*From: Tokyo (Japanese Foreign Minister)
5 May 1941
To: Washington (Koshi) #192*

According to a fairly reliable source of information it appears almost certain that the United States government is reading your code messages. Please let me know whether you have any suspicion of the above.

*From: Berlin (Oshima)
3 May 1941
To: Tokyo (Matsuoka) #482*

STAAMAA called me this day (evening?) and stating that this request was to be kept strictly secret, he said that Germany maintains a fairly reliable intelligence organization abroad (or—"in the U.S.?"?), and accordingly to information obtained from the above-mentioned organization it is quite (or—"fairly?") reliably established that the U.S. government is reading Ambassador Nomura's code messages, and then asked that drastic steps should be taken regarding this matter.

There are at least two circumstances substantiating the above (suspicion). One circumstance is that Germany is reading our code messages — — —. Regarding this, during my previous residence here, they were known to have a large scale cryptanalytic organization — — (unfinished — — last two-thirds not available)

*From: Tokyo (Matsuoka)
5 May 1941
To: Berlin (Oshima)#370*

Please express our appreciation to STAAMAA for the information in question and ask him if it is not possible to give us the authority for the statement that it has been fairly reliably established that the U.S. government is reading our code messages, so that we might take appropriate action. Reply requested.

*From: Washington (Nomura)
5 May 1941
To: Tokyo (Gaimudaijin) #267*

Most Guarded Secrecy.
Foreign Office Secret.
Re your #192.

For our part, the most stringent precautions are taken by all custodians of codes and ciphers, as well as of other documents. On this particular matter I have nothing in mind, but pending investigation please wire back any concrete instances or details which may turn up.

*From: Tokyo (Matsuoka)
7 May 1941
To: Washington (Nomura) #198*

Regarding your #267.

This matter was told very confidentially to Ambassador Oshima by the Germans as having been

reported to them by a fairly (“rather” or “pretty”) reliable intelligence medium; but to our inquiry they are said to have refused to divulge the basis on which they deemed it to be practically certain.

From: Washington (Nomura)
20 May 1941
To: Tokyo #327

INTELLIGENCE:

Though I do not know which ones, I have discovered that the United States is reading some of our codes. As for how I got the intelligence, I will inform you by courier or another safe way.

Expansion of Japanese Espionage in North and South America

American authorities knew that a widespread Japanese espionage organization was operating in the United States for at least a year before the war. The Japanese decided at the end of 1940 that they had neglected political propaganda in the United States by concentrating their attention to cultural enlightenment. They decided to refocus their efforts to political interests with the hope that this new approach would be favorably received. Special attention was to be paid to American Communist Party operations and the economic and social activities of the Soviet Union, not only in the United States but also in Central and South America.

In addition, Japanese espionage agents were directed to ascertain the relations between the United States and Latin American countries. In the past, the Japanese ignored these countries but, with the changing political climate, they believed it was advantageous to change their policy.

The Japanese desired closer contacts with German and Italian agents, as well as with Japanese residents, who were to be cautioned not to create any suspicion in the minds of US authorities regarding their espionage activities. The day after Ambassador Nomura made his official entrance into the diplomatic

scene at Washington, Tokyo issued new instructions concerning the gathering of intelligence in Canada and the United States. Details of this plan demonstrate that the Japanese were preparing for the worst.

From: New York (Iguchi)
17 December 1940
To: Tokyo (Gaimudaijin) #763

Re your msg. to Wash. #591.

As propaganda and enlightenment organs here, we have the Japan Institute, the Tourist Bureau, and the silk office of the Ministry of Commerce and Communication. Other groups whose importance we cannot ignore for collecting information are the financial adviser, the Army and Navy Inspection Offices, Representatives of Domei, ASAHI, NITINITY, AND YOMIURI, the Bank of Japan, the Specie Bank, Mitsui, Mitsubishi, N.Y.K., O.S.K., the Manchurian R.R. and the OKURA Co. In order to obtain the fullest cooperation from the above it is well to establish an information committee centering around the press attaché.

From: Tokyo (Matsuoka)
5 February 1941
To: Washington (Koshi) #056

Re my #591.

In connection with New York to Tokyo message #763, the business men (including Sumitomo's representatives) and representatives of newspapers were invited to call here. One of my men discussed the following points with them:

(1) To have the various representatives of business firms engaged in collecting intelligence material.

(2) To have all such representatives abroad (in the United States) cable their opinions and manipulations in so far as they are related to politics, through diplomatic channels so as to maintain secrecy.

We were able to obtain their agreement to cooperate with us in this respect, so please proceed with this program. We have the perfect understanding and agreement of the Army and Navy in this connection. They promise to give us whatever aid they can.

*From: New York (Iguchi)
11 December 1940
To: Tokyo (Gaimudaijin) #762*

1. In view of the fact that our Embassy's propaganda effort in the U.S. has been chiefly confined to cultural enlightenment in the past, which by the very nature of the thing evoked little or no objection, we have been considering a plan since last year to strengthen our political propaganda methods. However, due to the increased vigilance and control exercised over foreign propaganda in general and over the 5th column activities in particular, since the outbreak of the European war, we cannot hope for too great a success in this field of propaganda. Nevertheless, the effect of the recently-signed tripartite agreement will impose a greater necessity for just such propaganda efforts if the present Japanese-American relations are to be maintained. It is imperative, therefore, that we reconsider our efforts



Capt. Herbert O. Yardley

with a view to seeking more effective propaganda methods. While I realize that your office has been giving much thought to this question, I wish to submit herewith my views on the matters.

While cultural propaganda and enlightenment, no doubt, contribute much toward the promotion of amicable relations between Japan and America, the cost is prohibitive. Therefore, I suggest that, wherever possible, this type of propaganda be discontinued.

Political propaganda will meet with a great deal of obstacles which will cast some doubts on its successful outcome. However, we should strive to deal with fundamental problems in order to thwart the counter-propaganda in this country, which is based on the assumption that all foreign propaganda seek to divide the American people.

The set-up of the press attaché should be concentrated on the task of assembling information and of widening the intelligence net and its personnel. Especial effort should be made to establish personal contacts with the members of the press and persons influential in American politics and business. The intelligence net should be so organized as to be able to function even if there should be a severance of diplomatic and commercial relations between Japan and the U.S.

2. In addition to the present work of investigating the activities of the American Communist party and the Chinese by our Embassy, we should constantly keep watch over American politics and the economic and social activities of Soviet Russia in the United States, particularly as they affect Central and South Americas. For this task it is necessary not only to hire Americans, but also to have competent researchers sent from Japan.

3. Although the Tourist Bureau and the Trade Promotion Bureau have been carrying our propaganda in the past, we should consider the inconsistency of having the Tourist Bureau giving out travel information when, today, no American tourists are permitted to travel to Japan.

From: Tokyo (Matsuoka)
20 January 1941
To: Washington (Koshi) #043

Foreign Office secret.

Heretofore, we have placed emphasis on publicity and propaganda work in the United States. In view of the critical situation in the recent relations between the two countries, and for the purpose of being prepared for the worst, we have decided to alter this policy. Taking into consideration the small amount of funds we have at our disposal, we have decided to de-emphasize propaganda for the time being, and instead, to strength our intelligence work.

Though we must give the matter of intelligence work our further study—in this connection we are at present conferring with the intelligence bureau—we have mapped out a fundamental program, the outline of which is contained in my supplementary cable No. 44.

Please, therefore, reorganize your intelligence set-up and put this new program into effect as soon as possible.

Cable copies of this message, as “Minister’s orders” to Canada, Mexico, (a copy to be relayed from Mexico to Mexicali), San Francisco, (copies from San Francisco to Honolulu, Los Angeles, Portland, Seattle, and Vancouver), New York, New Orleans, and Chicago.

From: Tokyo (Matsuoka)
30 January 1941
To: Washington (Koshi) #44

(Foreign Office secret).

(1) Establish an intelligence organ in the Embassy which will maintain liaison with private and semi-official intelligence organs (see my message to Washington #591 and #732 from New York to Tokyo, both of last year’s series). With regard to this, we are holding discussions with the various circles involved at the present time.

(2) The focal point of our investigations shall be the determination of the total strength of the U.S. Our investigations shall be divided into three general classifications: political, economic, and military, and definite course of action shall be mapped out.

(3) Make a survey of all persons or organizations which either openly or secretly oppose participation in the war.

(4) Make investigations of all anti-Semitism, communism, movement of Negroes, and labor movements.

(5) Utilization of U.S. citizens of foreign extraction (other than Japanese), aliens (other than Japanese), communist, Negroes, labor union members, and anti-Semites, in carrying out the investigations described in the preceding paragraph would undoubtedly bear the best results.

These men, moreover, should have access to governmental establishments, (laboratories?) governmental organizations of various characters, factories, and transportation facilities.

(6) Utilization of our “Second Generation” and our resident nationals. (In view of the fact that if there is any slip in this phase, our people in the U.S. will be subjected to considerable persecution, and the utmost caution must be exercised.)

(7) In the event of U.S. participation in the war, our intelligence set-up will be moved to Mexico, making that country the nerve center of our intelligence net. Therefore, will you bear this in mind and in anticipation of such an eventuality, set up facilities for a U.S.–Mexico international intelligence net. This net which will cover Brazil, Argentina, Chile, and Peru will also be centered in Mexico.

(8) We shall cooperate with the Germans and Italian intelligence organs in the U.S. This phase has been discussed with the Germans and the Italians in Tokyo, and it has been approved. Please get the details from Secretary Terasaki upon his assuming his duties there. Please send copies to those offices which were on the distribution list of No. 43.

*From: Tokyo (Mausuoka)
5 February 1941
To: Mexico City (Koshi) #239*

In view of the critical times we wish to revise our information policy of our offices in South and Central America, along the following lines:

- (1) Investigate the general national strength of the United States.
- (2) Investigate the United States policy towards South and Central America.
- (3) Investigate the extent of south and Central America's participation in the policy of the United States.
- (4) Investigate the extent of competition between Germany, Italy and the United States in Central America.

1. Appoint persons to direct these investigations and report their names.
2. Consider plans to use South and Central America for obtaining information regarding the United States in the event that that country is drawn into war, and have an information gathering machinery ready for operation when that situation occurs.



William Frederick Freidman

3. Keep a close contact with the German and Italian organs (of information).

4. To organize Japanese residents, including newspaper men and business firms for the purpose of gathering information. Care should be taken not to give cause for suspicion of espionage activities.

5. To formulate a suitable plan for dispatching information obtained under any condition.

Relay to Chile, Peru, Panama, Argentina(?), Venezuela(?), and Brazil and retransmit by code to Santos and Ribeiro Preto.

*From: Tokyo (Matsuoka)
15 February 1941
To: Washington (Koshi) #073*

Re my #43.

The information we particularly desire with regard to intelligence involving U.S. and Canada, are the following:

1. Strengthening or supplementing of military preparations on the Pacific Coast and the Hawaii area; amount and type of stores and supplies; alterations to air ports (also carefully note the clipper traffic).
2. Ship and plane movements (particularly of the large bombers and sea planes).
3. Whether or not merchant vessels are being requisitioned by the government (also note any deviations from regular schedules), and whether any remodeling is being done to them.
4. Calling up of army and navy personnel, their training, (outlook on maneuvers) and movements.
5. Words and acts of minor army and navy personnel.
6. Outlook of drafting men from the view-point of race.

Particularly, whether Negroes are being drafted, and if so, under what conditions.

7. Personnel be graduated and enrolled in the army and navy and aviation service schools.

8. Whether or not any troops are being dispatched to the south Pacific by transports; if there are such instances, give description.

9. Outlook of the developments in the expansion of arms and the production set-up; the capacity of airplane production; increase in the ranks of labor.

10. General outlooks on Alaska and the Aleutian Islands, with particular stress on items involving plane movements and shipment of military supplies to those localities.

11. Outlook on U.S. defense set-ups.

12. Contacts (including plane connections) with Central and South America and the South Pacific area. Also outlook on shipment of military supplies to those areas.

Please forward copies of this message as a "Minister's Instruction" to New York, San Francisco, Los Angeles, Seattle, Portland, (Chicago or New Orleans?), Vancouver, Ottawa, and Honolulu. Also to Mexico City and Panama as reference material.

Japanese Concern About Allied Counterespionage

Not only were the Japanese expanding the activities of their espionage agents in North and South America, but they were also extremely concerned over the success of Allied military counterespionage. Simultaneously with the increase of Japanese military and naval observers in the United States, American military observers in the Pacific were undergoing closer supervision. Furthermore, severe measures were taken to restrict foreign visitors from entering Japan. No visitor, except those traveling under diplomatic passports, could reach Japan without first informing the Japanese authorities of his complete personal history and political leanings.

*From: Tokyo (Matsuoka)
15 February 1941*

To: Rome (Koshi) #300

Under present world conditions, we must redouble our counter espionage activities. To conform with this policy we have decided to further restrict foreign visitors to our shores.

Hereafter, therefore, will you make a thorough investigation of all applicants for visas? Those persons who come under the classifications noted below (including persons who have no nationality) should not be given visas until their names, occupations, object of visit, and other reference material is reported by official communications or by request cables. A detailed description of the personal history and political leanings should accompany the applications of those who come under the category of (2) below. (There will be no change in the procedure which has been in effect in the past, where citizens of the U.S.S.R. and refugees are concerned.)

(1) Officials, military men, and others who are traveling on official business. Possessors of diplomatic passports are excepted.

(2) Newspaper correspondents, magazine writers, and persons connected with propaganda organs.

(3) All others about whose purpose of visit, political leanings, and/or connections you have some doubts.

Japanese Interest in American Labor Unions

Ambassador Nomura received a request from Tokyo on 1 April 1941 to investigate the labor union situation in the United States as a possible obstacle to American unity in the event of war. Inquiry was to be made concerning the attitude of the CIO, the AF of L, the Communist Party, the Socialistic parties, and last but not least, into German and Italian fifth column activities. All this was in conformity with the recent expansion of the Japanese intelligence gathering organization in North and South America.

From: Tokyo
1 April 1941
To: Washington #154

Secret.

It has been reported that recently strikes have broken out in (Chicago?) After you have made a very thorough investigation, please wire me your findings along the following lines:

1. The political motivating forces behind these strikes and their expected development.
2. The extent to which these strikes interfere with national defense organization.
3. The relation between C.I.O.'s anti-ROOSEVELT policies since the elections last year and the current strikes.
4. To what extent is the LEWIS-MURRAY faction using their criticism of the (Cabinet?) and President ROOSEVELT's foreign policy?
5. Recent A.F. of L. attitude.
6. The attitude of the Communist Party to these strikes.
7. In the event of a breakdown of strike mediation, what are the anticipated government measures and what is the C.I.O.'s attitude toward this? In the event of war we think that the Labor Unions will become a major political factor in hindering unity in the United States. In the future arrange to get in touch with the leaders of labor unions, the Communist Party, the Socialist Party, and other anti-ROOSEVELT movements. At the same time, I would like to have you study the possibility of using such a person as (IKU?) O OYAMA.

Furthermore, with regard to German and Italian Fifth Column activities, I gave you instructions in my #546 of mid-November last year, but at this time particularly I would like to have you give the subject your careful attention.

On the authorization of the Foreign Minister, please transmit this message to all of our officials in the

United States with the exception of ---. Please communicate the foregoing to Canada, ---and Mexico for their information.

Reports of Japanese Intelligence Agents in America

On 17 April 1941, Ambassador Nomura requested a secret fund of \$50,000, which prompted the Foreign Ministry to ask about the intelligence organization recently established in North America. Japanese agents were attempting to establish contacts in many fields of American industry and commerce. Great attention was paid to labor disputes and racial conflicts since the Japanese thought that all forces disrupting American unity would be productive sources of intelligence.

From: Vancouver (Kawasaki)
28 April 1941
To: Tokyo #45

Re #180 addressed by the Minister to the Ambassador in Washington.

This office is at present employing a spy (an Irishman with Communist Party affiliations) and is having him collect information of this nature. We intend to send this man in the near future to Prince Rupert and Yukon, inasmuch as progress of the United States-Canada joint defense plans and the question of air connection with Alaska deserve our attention.

From: Los Angeles (Nakauchi)
9 May 1941
To: Tokyo (Gaimudaijin) #067

Strictly Secret.

Re your message #180 to Washington.

We are doing everything in our power to establish outside contacts in connection with our efforts to gather intelligence material. In this regard, we have decided to make use of white persons and Negroes, through Japanese persons whom we can't trust completely. (It not only would be very difficult to

hire U.S. (military?) experts for this work at the present time, but the expenses would be exceedingly high.) We shall, furthermore, maintain close connections with Japanese Association, the Chamber of Commerce, and the newspapers.

With regard to airplane manufacturing plants and other military establishments in other parts, we plan to establish very close relations with various organizations and in strict secrecy have them keep these military establishments under close surveillance. Through such means, we hope to be able to obtain accurate and detailed intelligence reports. We have already established contact with absolutely reliable Japanese in the San Pedro and San Diego area, who keep a close watch on all shipments of airplanes and other war materials, and report the amounts and destinations of such shipments. The same steps have been taken with regard to traffic across the U.S.-Mexico border.

We shall maintain connection with our second generations who are at present in the (U.S.) Army, to keep us informed of various developments in the Army. We also have connections with our second generations working in airplane plants for intelligence purposes.



Japanese encoder

With regard to the Navy, we are cooperating with our Naval Attaché's office, and are submitting reports as accurately and as speedily as possible.

We are having Nakazawa investigate and summarize information gathered through first hand and newspaper reports, with regard to military movements, labor disputes, communistic activities and other similar matters. With regard to anti-Jewish movements, we are having investigations made by both prominent Americans and Japanese who are connected with the movie industry which is centered in this area. We have already established connections with very influential Negroes to keep us informed with regard to the Negro movement.

From: Seattle (Sato)
11 May 1941
To: Tokyo #45

Re your #180 to Washington.

1. Political Contacts.

We are collecting intelligence revolving around political questions, and also the question of American participation in the war which has to do with the whole country and this local area.

2. Economic Contacts.

We are using foreign company employees, as well as employees in our own companies here, for the collection of intelligence having to do with economics along the lines of the construction of ships, the number of airplanes produced and their various types, the production of copper, zinc and aluminum, the yield of tin for cans, and lumber. We are now exerting our best efforts toward the acquisition of such intelligence through competent Americans. From an American, whom we contacted recently, we have received a private report on machinists of German origin who are Communists and members of the labor organizations in the Bremerton Naval Yard and Boeing airplane factory. Second generation Japanese----- .

3. Military Contacts

We are securing intelligence concerning the concentration of warships within the Bremerton Naval Yard, information with regard to mercantile shipping and airplane manufacturer, movements of military forces, as well as that which concerns troop maneuvers.

With this as a basis, men are sent out into the field who will contact Lt. Comdr. OKADA, and such intelligence will be wired to you in accordance with past practice. KANEKO is in charge of this. Recently we have on two occasions made investigations on the spot of various military establishments and concentration points in various areas. For the future we have made arrangements to collect intelligence from second generation Japanese draftees on matters dealing with troops, as well as troop speech and behavior.-----

4. Contacts with Labor Unions.

The local labor unions A.F.of L. and C.I.O. have considerable influence. The (Socialist?) Party maintains an office here (its political sphere of influence extends over twelve zones.) The C.I.O., especially, has been very active here. We have had a first generation Japanese, who is a member of the labor movement and a committee chairman, contact the organizer, and we have received a report, though it is but a resume, on the use of American members of the (Socialist?) Party. ---OKAMARU is in charge of this.

5. In order to contact Americans of foreign extraction and foreigners, in addition to third parties, for the collection of intelligence with regard to anti-participation organizations and the anti-Jewish movement, we are making use of a second generation Japanese lawyer.

This intelligence-----

Japanese Reports From the United States

During the period from 12 May to 6 August 1941, the Japanese showed enormous attention to the movement of American warships. While the question of convoying American ships to England was still pending in Congress, Japan was expanding its intelligence network, especially in America. Fearing that a crisis might be reached before this organization could become well organized, Japan hurried to secure intelligence from its agents in the United States, Germany, and Spain. Mr. Taro Terasaki, recently assigned as Chief of Japanese Intelligence and propaganda work in the United States, warned Tokyo that the US Government was tending toward entrance into the war. For this reason, he emphasized, in a report to Tokyo on 19 May 1941 the importance of securing funds, establishing contacts with influential persons, and acquiring personnel for intelligence work. The Dies Committee and restrictive regulations regarding foreigners and Americans in foreign employ made the task difficult for the Japanese.

Information that the US Navy was interested in requisitioning until September, half of the American Consulate office space at Manila for espionage work, led Mr. Matsuoka, on 1 July 1941 to fear that this was the first step in establishing a special service for British-American-Chinese military liaison. Besides keeping close watch on naval personnel to verify this report, the Japanese kept under surveillance a number of persons who had entered the country as temporary tourists.

From: Washington
 19 May 1941
 To: Tokyo #319

Re your #45 and #180.

I have had Terazaki of Intelligence make an official trip to New York for the purpose of keeping in touch with the Consul-General there, and we have come to the following conclusions.

1. We are of the opinion that Roosevelt's dictatorial attitude is becoming more pronounced and government is leaning toward all-out war. Therefore, we desire that you remit immediately as large an amount as possible so that we may have funds with which to carry on intelligence work in the emergency created by America's entry into the war. For this purpose we assume that Japanese-American relations will continue as at the present.

2. The duties of an intelligence office are becoming increasingly difficult. Because of the existence of the Dies Committee and of the application of the regulations regarding Americans in foreign employ and regarding foreigners resident in America the gathering of accurate secret information is far from easy. This is only one example and there are many other "delicate" problems, so please understand the delay in my answering telegraphic (requests for information).

3. We wish to make Washington and New York one unit and have a unified policy for it. Therefore we wish to get your approval before Terazaki starts for his post. We wish to have Consul Inagaki come here to serve. We feel that we should have here at least one-third of the personnel that they have in Shanghai for intelligence. Therefore, we are looking for temporary employees, (non-career clerks). Furthermore, we wish to have the officer in charge of intelligence visit New York about the 10th of every month.

4. The title of the officer in charge of intelligence will be that of "press attaché." His duties will be as decided in the business conference on March 4th, Article 61(1), as follows:

A. Ordinary investigations and,

B. The development of intelligence.

"A" will of course include the investigation and gathering of secret information on the division in American public opinion regarding the rapprochement in Japanese-American relations based on the peace movement. But we wish to preclude such policies as the strategy being employed in the present negotiations.

5. A summary of the present state of the policy is as follows:

We are making personal contacts on every hand. However, at this place and in New York we are continuing the existing formal contacts and gathering secret information. In addition, to this, the officer in charge of intelligence has contacts with:

(A) J, and W, who are in close touch with the President and his wife.

The President is cultivating power through the "relief workers" and the "W.P.A." and other agencies. In addition to this, since his third term anyone who opposed him becomes the target of his attacks and his dictatorial tendencies are becoming more marked, therefore it is natural that we should pay special attention to those in close touch with him.

One or two items regarding Roosevelt's position: Evidence was brought out in the Senate to the effect that the former Ambassador to England, Kennedy, had not paid his 1932 income tax, but the President maintained silence. According to other secret information, Willkie had a secret understanding with Roosevelt and attacked him in his public speeches more than was necessary as a Presidential candidate and enjoyed scandalizing public opinion, however, had he by any chance become President he would have become a mere puppet of Roosevelt. Again, ---told Terazaki that originally he was an isolationist, but that now in view of the opposition he was keeping silent. Six months from now if he said he were an isolationist he would not be able to go about in safety.

(B) W of the State Department.

When Terazaki was a student at Brown University he became well acquainted with W.

(C) G of the Senate.

When Terazaki was in Brown University he was greatly helped by this G.

(D) The relationship of the "America First Committee" to Lindbergh and W.

Every time Lindbergh makes a speech the German newspapers approve and American newspaper reporters in Germany write it up and American newspapers make a big thing of it so that the impression is conveyed that Lindbergh is an agent of Germany. Because of this, Lindbergh and the Committee are very perplexed and according to W, Lindbergh has been cautioned by the German Embassy. Since then he has been in touch with W.

(E) D, an Irish American.

D told our intelligence officer that a Jewish American Justice of the Supreme Court, Frankfurter, was packing the key posts of the government with Jewish Americans. But that American antipathy toward Jews is increasing to such an extent that eventually anti-Jewish influence would prevail.

(F) Persons with religious affiliations.
(1) Catholic. (2) Protestant. (3) Undecided.

The Catholics are the ones who are concerned in the present negotiations.

(G) The Brown University Club.

This meets regularly once a month and at other times at which times he (Terazaki) is present.

6. Concerning the salary for employing nationals and foreigners. The future is another matter: however, judging from the past unless our general funds are increased it will be impossible to move. We wish to have you cognizant of the actual situation and when

the opportune time comes we wish to take decisive action.

7. Looking at the funds for general intelligence, of the \$30,000 income, only about \$3,900 a year is available for actual development of intelligence and about \$1,800 a year for entertainment and receptions. However, in the decision of the committee held on March 4th of this year regarding intelligence business, and the stipulations of the policy regarding propagation of intelligence, it was variously affirmed that of course the utmost effort would be put forth and that we would need no small sum for expenses. According to the present allotment we will need for the present year the sum of \$500,000 for the development of intelligence. We respectfully request this.

*From: Tokyo (Matsuoka)
1 July 1941*

To: Manila (Riyoji) #191

According to a reliable source of information the United States Navy in your territory is desirous of requisitioning half of the American Consulate office space in the Tourist Bureau Building until September 1st, for vigilance and anti-espionage work.

The above may be part of the plan to establish a special service organ for the British-American-Chinese military liaison chain, therefore, please verify the above report and watch the conduct of the Navy personnel and reply information.

As the source of this information is strictly secret, please exercise caution in making investigations.

Japanese Attempts to Expand Its Naval Intelligence Activities

On September 2, 1941, it became apparent to Tokyo that the expansion of Japanese naval intelligence activities in both North and South America was necessary. Based on a request from naval authorities in Japan, Ambassador Nomura was to insist that a

member of his staff go to Hawaii in the capacity of a courier, though in the light of Japanese-American relations, the selection of an opportune moment for the presentation of this request to the American Government was left to his discretion.

Ambassador Nomura replied that inasmuch as Courier Kuga was returning to Japan by way of the United States, having booked passage on the *President Taylor* sailing from San Francisco on September 6, 1941, the dispatching of a courier to Hawaii was no longer necessary.

No. 295

*From: Tokyo (Japanese Foreign Minister)
2 September 1941*

To: Washington #520

The Naval authorities have made the following request of us. They would like to have you insist at this time upon a member of your staff going to Hawaii in the capacity of a courier. Now, as to the most opportune moment, in the light of Japan-American relations, they would like to have this matter left up to your Excellency's discretion.

According to what the Naval authorities have to say on the matter, your Embassy staff is well aware of this situation. If this is indeed the case, direct application should be made from Washington rather than from the Home Office. Based on a similar request by the Naval authorities, a courier is being sent to South America. This is for your information.

No. 296

*From: Washington (Nomura)
2 September 1941*

To: Tokyo #762

Re your #520.

Naval authorities here have filed still another request. Inasmuch as courier KUGA is returning to Japan by way of the United States and has booked passage on the *President Taylor* sailing from San Francisco on the 6th, the matter to which you refer is no longer necessary.

Japanese Foreign Minister Requests Special Intelligence Reports Concerning Pearl Harbor

Japanese naval intelligence reports from Honolulu, though few in number, were in the light of the later attack on Pearl Harbor to grow increasingly significant as December 7, 1941 drew nearer. The significance becomes apparent however, only when reading history backwards.

Concerning Pearl Harbor, Foreign Minister Toyoda on September 24, 1941 directed that in future intelligence reports from Hawaii, Pearl Harbor waters were to be divided roughly into five subareas:

Area A: Waters between Ford Island and the Arsenal

Area B: Waters adjacent to the island south and west of Ford Island. (This area is on the opposite side of the island from Area A.)

Area C: East Loch

Area D: Middle Loch

Area E: West Loch and the communicating water routes.

Furthermore, reports were to be made on warships and aircraft carriers at anchor and, although not so important, those tied up at wharves, buoys, and in docks. The type and classes of vessels were to be designated briefly, and special mention was to be made when two or more vessels were alongside the same wharf.

On September 29, 1941, the details of a special code to be used in referring to the location of American warships in Pearl Harbor was sent to Tokyo through diplomatic channels. "KS" meant the repair dock in the Navy yard; "FV" was the mooring in the vicinity of Ford Island; "FG" designated the location alongside Ford Island; and "A" and "B" indicated east and west sides of "FG" respectively.

No. 356

From: Tokyo (Toyoda)
24 September 1941
To: Honolulu #83

Strictly Secret.

Henceforth, we would like to have you make reports concerning vessels along the following lines insofar as possible:

1. The waters (of Pearl Harbor) are to be divided roughly into five sub-areas. (We have no objections to your abbreviating as much as you like.)

Area A. Waters between Ford Island and the Arsenal.

Area B. Waters adjacent to the Island south and west of Ford Island. (This area is on the opposite side of the Island from Area A.)

Area C. East Loch.

Area D. Middle Loch.

Area E. West Loch and the communicating water routes.

2. With regard to warships and aircraft carriers, we would like to have you report on those at anchor. (these are not so important) tied up at wharves, buoys and in docks. (Designate types and classes briefly. If possible we would like to have you make mention of the fact when there are two or more vessels alongside the same wharf.)

No. 357

From: Honolulu (Kita)
29 September 1941
To: Washington Circular #041.

Honolulu to Tokyo #178.
Re your Tokyo's #083.
(Strictly secret)

The following codes will be used hereafter to designate the locations of vessels:

1. Repair dock in Navy Yard (the repair basin referred to in my message to Washington #48): KS.

2. Navy dock in the Navy Yard (the Ten Ten Pier); KT.

3. Moorings in the vicinity of Ford Island: FV.

4. Alongside in Ford Island: FG (East and west sides will be differentiated by A and B respectively)

Relayed to Washington. San Francisco.

American Officials Search Japanese Business Offices in Los Angeles

An inspection of the NYK, Yokohama Specie Bank, the Sumitomo, the Mitsui, and the Mitsubishi branch offices in Los Angeles by four to seven Treasury Department and FBI officials was reported to Tokyo on August 18, 1941. A thorough and detailed inspection had been made in each office. Not only had the inspectors checked letters of private individuals, but photostatic copies had been made of several thousand documents, although the Sumitomo office had forbidden the photostating of its codes.

Consul Kenji Nakauchi believed that the investigation had been conducted to determine the existence of "subversive acts" in spite of the fact that it was theoretically conducted in conjunction with the freezing order. Official employees of the Yokohama Specie office had been forbidden to enter their offices, or to leave, between 6:00 P.M. and 8:30 A.M. in order to prevent the burning of documents. It had been necessary, Consul Nakauchi disclosed, to secure the approval of the inspectors on all telegraphic communications received or dispatched.

No. 380
 From: Los Angeles (Nakauchi)
 18 August 1941
 To: Tokyo #157

(Part 1 of 2.)
 Re my #142.

Each of the local NYK, Yokohama Specie Bank, Sumitomo, Mitsui, Mitsubishi branch offices were visited by four to seven Treasury Department inspectors on the afternoon of the 16th. Their inspection lasted until late at night. (The inspection of the NYK and the Mitsui offices lasted for -- days.) The permanent staff of each of the branch offices involved cooperated with the inspectors. Thorough and detailed inspection was made in each branch office, even to the extent of inspecting the drawers of all desks. Explanations were requested with regard to various account books. (Japanese and English encodement books?), circular letters from the Bureau of Communications, and relationships with customers. They went even so far as to "check" letters of private individuals. Photostatic copies were made of several thousand documents. The Sumitomo office forbid the photostatting of codes.)

No. 381
 From: Los Angeles (Nakauchi)
 18 August 1941
 To: Tokyo #157.

(Part 2 of 2.)

Though this inspection was under the pretext that it had to do with the investigation conducted in conjunction with the freezing legislation, it seemed as though it was an investigation to determine the existence of "subversive acts." They were particularly cautious regarding any relationships with military persons. Included among the personnel making the above mentioned inspections were F.B.I. men.

Furthermore, no so long ago Treasury officials had wax seals placed on the Yokohama Specie office from 6 in the evening until 8:30 in the morning and official employees have been forbidden to enter or leave the office during that time in order to prevent the burning

of documents. The bank was opened in the morning and closed at night by the inspectors themselves. It was necessary to secure the approval of the inspectors on all telegraphic communications received or dispatched.

Relayed to San Francisco, Washington, New York and ---.

Japanese Authorities Express Concern Over United States' Official Inspection

On August 23, 1941 Financial Attaché Tsutumu Nishiyama in Tokyo wired his opinion regarding the bank inspection conducted by the Treasury Department officials and FBI men. He believed that the American inspection came closer to being a search for "subversive acts" rather than an inspection connected with the freezing order.

Influential persons in the Specie Bank, greatly concerned, asked that an investigation be conducted to ascertain the real purpose of the inspection of American officials.

No. 394
 From: Tokyo
 23 August 1941
 To: Washington #497.

From Financial Attaché Nishiyama (#70).

1. American inspection of Japanese firms and banks comes close to being a search for "subversive acts" rather than an inspection connected with the freezing order. There was a marked difference in the Japanese inspection of American banks. Influential persons in the Specie Bank are much concerned and desire an investigation to ascertain just what the real purpose of the American officials is. Furthermore, the National City Bank is arranging for the Kobe and Yokohama branches to unite with the Tokyo office and is closing out the Dairen office. According to Curtis's explanation the above move is dictated by economic policy as was the case in the Osaka amalgamation

and that there is no other reason for the move. Two or three young Americans will be left in the Tokyo office and the others will be returned home.

2. A proposal has been received from the British-Dutch Bank to exchange commodities for commodities in order to liquidate the ban's accounts and this matter is being pressed by the head of the London branch of the Yokohama Specie Bank. However officials in the foreign office do not look with favor upon pushing negotiations to the solution of this one problem when there are so many other questions pending between Japan and Britain. Also the immediate conclusion of such an agreement would exert an unfortunate influence upon the leadership of public opinion hence orders have been issued not to ratify such an agreement.

(This item is for your information only.)

Consul Morishima Suggests Further Precautions To Ensure Secrecy of Dispatches

Asking that the Japanese Ambassador in Washington investigate the telegraphic situation, Consul Morito Morishima in New York protested that the Western Union Telegraph Company had returned one of his dispatches which had been sent to

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from: Tokyo
to: Washington
7 December 1941
(Purple-Flag)

#902 Part 14 of 14

(Note: In the forwarding instructions to the
radio station handling this part, appeared the
plain English phrase "VERY IMPORTANT")

7. Obviously it is the intention of the American
Government to conspire with Great Britain and other countries
to obstruct Japan's efforts toward the establishment of
peace through the creation of a New Order in East Asia,
and especially to preserve Anglo-American rights and interests
by keeping Japan and China at war. This intention has
been revealed clearly during the course of the present
negotiations. Thus, the earnest hope of the Japanese
Government to adjust Japanese-American relations and to
preserve and promote the peace of the Pacific through
cooperation with the American Government has finally been
lost.

The Japanese Government regrets to have to notify
herby the American Government that in view of the attitude
of the American Government it cannot but consider that it is
impossible to reach an agreement through further negotiations.

JD-11714J SECRET (U) Navy trans. 7 Dec. 1941 (S-TT)

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The break in US-Japanese relations was reported in this deciphered message.

Vancouver. Furthermore, since code messages from the Consulate apparently had been prohibited, requests for transmissions must have been received from Japanese Consulates in Canada.

No. 386
From: New York (Morishima)
20 August 1941
To: Tokyo #415.

To Ottawa as Circular #67.
Re #161 from San Francisco to Tokyo.

It happened here, too, that when I transmitted my #411 to Vancouver, apparently because code messages from the Consulate have been prohibited, the Western Union Telegraph Company returned the message. Since it must be that requests for transmittals have been received from our Consulates in Canada, please find out exactly what the situation is.

Mr. Terasaki Plans To Confer With "America First" Committee

For the purpose of making secret contacts with members of the "America First" Committee, Ambassador Nomura asked Tokyo on September 6, 1941 to authorize Secretary Hidenari Terasaki to make an official visit to Chicago. Since Mr. Terasaki had been unable to make an official tour to Los Angeles and San Francisco, it was requested also that he be permitted at this time to stop off at San Francisco, Seattle and Los Angeles.

No. 410
From: Washington (Nomura)
6 September 1941
To: Tokyo #789.

Strictly secret.

I would like to have TERASAKI go on an official mission to Chicago in order to make secret contacts with members of the "America First" committee

residing in that city. Please send authorization. At that time, I would like to have him make a study on the spot of the matter concerning OYAMA mentioned in your #154.

Furthermore, TERASAKI was not able to make an official tour to Los Angeles and San Francisco in line with your #349 because he went south to Mexico. At this time should you permit him to stop off at San Francisco, Seattle, and Los Angeles, it would be exceedingly convenient from the standpoint of the work at hand.

Message 154 discussed a plan for Terasaki's visit to Mexico to confer with Japanese Minister there for the development of plans pertaining to the establishment of an espionage net; the focal point of this net to be Mexico City carrying out activities in the United States as well as South America.

No. 410A
From: Tokyo
10 July 1941
To: Washington #349.

Secret outside the Department.
 (To be handled in Government Code.)

Re #18 from New Orleans and #244 from Mexico to this Foreign Minister.

We wish Consul ITO to go to Mexico City. Lately the offices housing the German and Italian Consulates were closed and their intelligence net broken. Intelligence activities in the Americas and suitable liaison are now essential, so we wish Secretary TERAZAKI also to go to Mexico to confer with our Minister there, in order to realize our plans in a concrete fashion based on the policy described in previous messages. We want Secretary TERAZAKI, and him only, to stop off at Quito, Los Angeles, San Francisco, etc. In this connection the points which we would like to bring to your attention are as follows:

1. We will have three routes to Mexico from the United States, consisting of Laredo, Ciudad Juarez and Mexicali. Mexicali in particular is a convenient

point for us on the west coast. In case we need more personnel, we can get them from our Ministry in Mexico.

2. We will establish a Chile route from Mexico by way of Manszanillo and a Brazil route by way of Vera Cruz.

3. Various officials in the United States and Mexico will work out all the details of their own espionage nets, correlate them, and develop a concrete plan for making contacts and exchange on the border.

4. In order to succeed in this objective, ways and means for keeping in contact through telegraphy, telephones, memoranda, and word of mouth will be decided upon and put into effect.

5. These routes are to be established against the day of evil and, while all is calm, nothing must be done which would jeopardize their security; therefore, at present investigate only the feasibility of circulating over them.

6. The expenses are to be paid by the several offices.

Because of its geographical position, Mexico is the main point for intelligence work in Brazil, Argentina and Chile, as well as in the United States. Therefore, before we think of relying too much upon Brazil, Argentina and Chile, let us concentrate on Mexico. However, the other three bases are different. In case the United States joins the war, they would inevitably come under her control, but so long as Mexico does not officially join the war, we can continue our intelligence schemes there. Paralleling these plans of course, if you can also work out a plan for establishing a net with Brazil, Argentina and Chile, it would be excellent groundwork for the establishment presently of an intelligence net. Please transmit this to Mexico City and take with you to New Orleans.

Arrest of Japanese in Possession of Illegal Passports

Tokyo learned on September 6, 1941 from Consul Nakauchi in Hollywood that local immigration officers had arrested Japanese who were in possession of illegal passports. Approximately 100 persons had been taken into custody in California. Since it appeared that "this sort of round-up" would be carried on in the future as well, Mr. Nakauchi declared that when boats became available approximately half of these persons would be given the opportunity to return home.

No. 412
From: Hollywood (Nakauchi)
6 September 1941
To: Tokyo #169.

The local immigration office has gradually undertaken the arrest of Japanese who are in possession of illegal passports. In Los Angeles approximately 50 and in the entire state of California, rough 100 persons are understood to have been taken into custody. All of them have borrowed money to cover bond.

When boats become available approximately half of them will be given the opportunity to return home should they so desire. It seems that this sort of round-up will be carried on in the future as well.

Relayed to Washington and San Francisco.



US Navy-produced Purple Machine

Freezing Order Curtails Japanese Intelligence Activities in America

Readjustments in the Japanese civilian intelligence organizations continued to be the subject of dispatches from Consul Morishima in New York to Tokyo. On September 22, 1941, he said that the following of a more aggressive policy in connection with the Cultural Institute had been impossible because of the freezing of funds. Activities of the Institute had even been curtailed. The Library on Wheels, which had maintained a route hardly worth mentioning would be transferred to the Cultural Institute, and its driver would be dismissed from employment.

No. 424
From: New York (Morishima)
22 September 1941
To: Tokyo #453.

(Part 1 of 2.)

For some time we have been conferring on and considering, in connection with the questions of adjustments to be effected among civilian intelligence organs, the various pending questions relative to the activities of the Cultural Institute. However, with the coming of a new crisis, following the freezing of funds, the execution of a more aggressive policy became, even from the economic standpoint alone, impossible and we have had to curtail the activities of the Institute. We have therefore planned the following:

1. To carry on future activities of the Institute on the basis of a revised plan which will be within the scope of the funds on hand.
2. With this in mind, to hold a conference with civilians once a month for study and discussion.
3. To continue to ---for the purpose of --- and collection of intelligence by civilians.

We are now directing its activities along these lines. However, because of the fact that our propaganda work in this country is now placed under great

handicap, we do not believe that it would matter very much if a man of ----.

----was employed as a secret agent.

No. 425
 From: New York (Morishima)
 22 September 1941
 To: Tokyo #453.

(Part 2 of 2.)

Though matters are as I have outlined above, we in this office are complying with your instructions but in my opinion in view of the fact that the employees are evidencing a critical attitude, I think that the question of a complete shake-up within the office should be postponed for a while.

Accompanying the worsening of the attitude toward Japan, the "library on wheels," since the latter half of last year, has maintained a route hardly worth mentioning. I believe, however, that the distribution of pamphlets for enlightenment purposes will supplement this activity. Though the "library on wheels" will be taken over by the Cultural Institute as long as there are no great changes in the situation I do not believe that much effectiveness can be expected of its work. Therefore, in line with the effects of the freezing legislation we do not plan upon the continued engagement of ----, who drives the "library on wheels" and who had been showing a none too pleasant attitude in the Cultural Institute. We have arranged to cancel all his unfinished business arrangements. (Please refer to my #446). This truck and the books which go with it as well as other things, we plan to place in the custody and under the name of Cultural Institute.

Maj. Yano Arranges Anti-American Espionage

The Japanese officials stationed in the United States were planning an increase in anti-American espionage activities. After receiving instructions from the General Staff Headquarters in Tokyo, Maj. Yano, on

October 10, 1941 was preparing to leave Washington with Japanese codes books for an official trip to Mexico.

No. 471
 From: Washington (UAWRK)
 10 October 1941
 To: Tokyo #201.

In line with instructions from General Staff Headquarters, Major YANO is making an official trip to your place, in order to make preliminary arrangements concerning anti-American espionage. He leaves Washington by plane tomorrow, the 11th, at 9:00 p.m. and is scheduled to arrive at your place at 12:30 p.m. (Mexico time) on the 12th. He is bringing code books with him. I leave everything to your discretion.

(Note: This appears to be an information copy to Tokyo, since the context apparently refers to the Japanese espionage ring being established in Mexico.)

Minister Akiyama Estimates His Espionage and Propaganda Expenditures

After having made a special study of the attitude of the United States, of the nature of the Panamanian people, and of the topography of Panama, Mr. Akiyama, in a dispatch to Tokyo on September 20, 1941 made an estimate of the money needed for enlightenment, propaganda, and intelligence purposes. With a forewarning that the expenditure summary would be "hard to take," he begged that these per month expenses be considered carefully.

The estimate included bonuses for officials or spies assigned to observe the movements of warships or give warning about other matters; running expenses for the Japanese broadcasting office; money for special spies; funds to pay those who tried to obtain information as well as those who achieved results; and a separate fund to maintain contact with newspaper reporters and other agents. In addition,

he listed a special fund for spying in the other countries to which he was accredited. The total estimate amounted to an expenditure of \$730.00 per month.

No. 499

From: Panama (Akiyama)
30 September 1941

To: Tokyo #169

(Part 1 of 2.)

Since taking office, I have made a special study of the attitude of the United States and also of the nature of the people and topography of this section; and as a result have made the following estimate of the amount of money needed for enlightenment and propaganda purposes. This amount is necessary in making contacts for intelligence purposes, and already some expenditures have been made. I know that this will be "hard to take," but beg of you that you will consider the matter carefully and wire me the result (all per month expenses):

1. (a) Bonuses for officials or spies residing at some distance from the Canal who go at night to observe the movement of warships \$70.00

(b) For those who from time to time give warning \$150.00

2. Money to supplement the activities of the Kyowa Company in this country \$100.00

(Part 2 of 2.)

3. Running expenses of our broadcasting office \$50.00

4. Money for special spies \$50.00

5. To follow the principle of paying well those who try as well as those who accomplish results \$100.00

6. For maintaining contacts with newspaper reporters and other agents \$130.00

7. Costs of making arrangements..... \$30.00

8. Money for spying in other countries to which I am accredited \$50.00

The above are for the current fiscal year.

Japanese Military Attaché Requests Expansion of Intelligence Facilities in the United States

Since it seemed evident to Japanese representatives in Mexico that war between Japan and the United States would break out at any time, they advised the establishment of additional facilities to acquire military intelligence in the United States. In the future it would probably be extremely difficult for Japanese agents, either in the United States or in South America to carry on espionage as formerly planned. In view of the fact that after and even before the outbreak of war Japanese agents would be unable to get intelligence concerning the details of military operations, the Japanese Military Attaché in Mexico advised that additional advisors, particularly with air and technical backgrounds, be sent immediately to the attaché's office in the United States to increase facilities for gathering intelligence.

(Comment: This message was not translated until May 3, 1945)

No. 626

From: Mexico City (MXMRK)
15 October 1941

To: Tokyo (SUMMER)(Vice-Chief,
General Staff) #179.

(2 parts -- complete.)

According to the impression I received as the result of the conference of attaches and advisers in America, it is expected that war will break out between Japan and the United States. In order to gather operational intelligence in preparation for that, it is thought necessary that the attaché's office in the United States

(because of the withdrawal from New York) be now given at least two more advisers (particularly air and technical specialists).

Part 2

If you consider the limitations to the espionage which can be carried out against the United States by the attaches in South America, you will see that they will be able, after the outbreak of war between Japan and the United States (and before that too, of course), to do no more than learn of general, easily discovered activities. It will be particularly difficult to get intelligence concerning the details of military operations. Also, we in Mexico will be able to get only a small amount of intelligence. Consequently, we must work, before the withdrawal of our attaché in the United States, to increase our facilities for gathering intelligence. Thus, the general situation is like that in the United States, in regard to an insufficiency in attaché's office personnel.

Secretary Terasaki Established Net in South America

As a result of the conference of Mr. Terasaki with the Japanese Ministers of Argentina, Brazil, and Chile, Tokyo was informed on August 22, 1941 that the establishment of an intelligence network in Latin America had been proposed to secure information in the United States. Spies would be placed within the United States, American propaganda as revealed in printed matter and radio broadcasts would be analyzed, and intelligence secured from sources in Latin America would be collected and evaluated.

No. 643
 From: Santiago
 21 August 1941
 To: Buenos Aires #62.

(Part 1 of 3) (Message to Tokyo #230)
 From TERASAKI.

The results of my conference with the Ministers to Brazil, Argentina, Chile, and— — —are as follows:

1. We propose an (intelligence) set-up in Latin America in order that we might secure intelligence on the public opinion of the United States, her situation militarily and diplomatically. The method by which this is to be accomplished is roughly as follows:

a. We propose the establishment of spies within the United States. From these we shall obtain secret intelligence.

(1) This set-up shall perform the duties of collecting and evaluating information obtained from the offices and personnel of American ministries in Latin America.

(2) It shall study the effectiveness of the propaganda contained in American and Latin American printed matter and radio broadcasts.

(3) It shall collect and evaluate intelligence secured from persons with whom they are in close contact, as well as the offices of third-powers in Latin America.

(4) It shall collect and evaluate intelligence secured from individuals and government offices in Latin American countries.

2. Though we plan for the organization of an intelligence net and the distribution of agents necessary for the operation of these proposed steps, in light of current affairs when anything of great importance arises, we, of course, will put every detail into operation with the effectiveness with which it is carried out in spy stories.

Japanese Espionage Network Begins Operations

In line with the establishment of an efficient Japanese spy organization in South America on 22 August 1941 by Mr. Terasaki, the Japanese intelligence coordinator for the Americas, all Japanese offices in North America were ordered to give their immediate attention to the selection of qualified espionage agents. Among the spies was a

seaman who was to be placed with some prominent steamship company servicing North American ports.

Foreseeing difficulties in selecting reliable individuals and in checking information derived from foreign countries, Mr. Terasaki emphasized the necessity of Japan's spending vast sums to procure men and administer the whole intelligence network. Combating American counterespionage activities presented a problem since FBI agents were known to be attempting to gain the confidence of those employed in the office of the Axis nations. He urged, therefore, that all Japanese agents be selected with care.

Each Japanese office in South America was to be equipped with radio sets capable of receiving US domestic broadcasts. Moreover, a central listening post would be located possibly in Brazil, where a secretary proficient in English shorthand would be on duty at all times. It was learned later that American broadcasts would not reach beyond 1,000 miles. This made it impossible to establish a post either at Buenos Aires or Rio de Janeiro to listen to broadcasts made in the United States.

Subscriptions to American papers and magazines were to be procured in the name of a South American for analysis by trained Japanese agents. Important spy centers were to be located in Brazil, Argentina, Chile, and Colombia, the latter country was of importance because of the nearness to the Panama Canal. It would be necessary, therefore, to enlarge the telegraphic sections of all Japanese offices and to use the intelligence sources supplied by the local Domei news agency, special correspondents, and Spanish and Portuguese language correspondents. Japanese merchants would be employed to keep the organization informed of economic conditions in the United States. If the Axis diplomatic staffs were ordered out of the country before the Japanese, their German and Italian informants would be hired. Not only were Latin American spies to be used, but also those who lived in Spain and Portugal, since it would be possible, should Mexico enter the war, to relay information from Mexico to Spain where it could be retransmitted to Japan.

No. 652

From: Santiago
17 September 1941

To: Washington #65.

(Circular.) (In 3 parts --complete.)
Santiago to Tokyo #261.

(Separate wire.)

Regarding paragraphs 1 to 3-a of my message #231.

All of our offices in North America should give their immediate attention to the selection of spies. They should choose only those who are best qualified for the job and have them go to work on collection of information and, if possible, liaison. The offices in Latin America shall accept those reports from them in which they can place credence. If it is possible to obtain the services of an informant who has been a seaman, it might be a good plan to try and get him a job in a steamship company. (There is one who falls in this category in New York. It would be very much to our interest if a job could be found for him in some steamship company which as a North American service.)

It must be borne in mind, of course, that it is exceedingly difficult to select individuals who can be reliably utilized. Moreover, it is very difficult to check any information from a foreign country. Therefore, it is of primary importance that we make up our minds to spend vast sums of money.

It is a known fact that the F.I.B. (F.B.I.?) is making a practice of trying to get its men into the confidence of those in the offices of the Axis nations. Please note this point carefully and exercise the utmost caution in making the selections.

The matter contained in (b) of the above referred section, would be next to impossible to put into effect. However, if there is one with whom very close relations have been maintained in the past, it may be that he could be utilized.

With regard to (c) of the same section, each office should be equipped with good radio sets of the middle wave band. They shall be used to listen to domestic broadcasts in the United States. The central listening post shall be located, let us say, in Brazil, where one who is proficient in shorthand of English shall be on-duty at all times.

The leading U.S. newspapers and magazines shall be subscribed to now in the name of some foreigner. These shall be thoroughly perused (even to the society columns) and carefully analyzed.

The intelligence officers referred to in section 4 of the same message shall be stationed in Brazil, Argentina, Chile, Colombia, (the last mentioned is looked upon as a very important post by our Army and Navy, with a view to obtaining information about Panama, as you are already aware), and Mexico.

To fulfill all of these duties, the telegraphic section of all of those offices concerned will have to be considerably enlarged. This is at present the most important actual step to be taken.

As sources of supplies for the above mentioned intelligence personnel, the present sources of Domei news agencies and others of our special correspondents shall be utilized. We shall also make indirect use of the Spanish and Portuguese language correspondents.

Since it will be of interest to keep abreast of the economic conditions in the United States, we shall maintain close contact with our merchants who in turn will keep themselves advised through local native merchants who have access to the information in the United States.

Should the German and Italian diplomatic officers be ordered out of a country before the Japanese, we shall make arrangements to take over their informants.

The informants referred to above shall not be limited to Latin Americans but shall also include those who reside in Spain and Portugal. (Should, for example, Mexico get into the war, our informants in Mexico shall relay their information to those in Spain and Portugal who in turn shall pass it on to Japan.)

Relayed to Washington. Mailed to Rio de Janeiro and Buenos Aires.

No. 653

From: Buenos Aires (Tomii)
26 September 1941

To: Washington #15

Re #261 sent from Chile to the Foreign Minister.

According to what the specialists say — — — broadcasts do not reach any point beyond 1000 (miles?). I understand that even with a good receiving set it is impossible to listen in here or in Rio to broadcasts made in the United States.

Japanese Naval Officials in Mexico Disapprove of Furnishing General Intelligence

To Foreign Minister Togo's inquiry whether the office in Mexico had begun the work of furnishing general information, Ambassador Miura replied that he had discussed this matter with his Naval Attaché and had subsequently wired the Chief of Special Service Section of the Naval General Staff. Although at present they were waiting a reply, he pointed out that because of the necessity of maintaining the security of the "L" organ, the naval authorities disapproved of furnishing general information. He asked that the Japanese Foreign Office discuss this matter with Navy and subsequently wire its decision.

Eight days later Foreign Minister Togo declared that general intelligence was to be distinguished from naval intelligence in that it was used for reference purposes by the Foreign Office. He was instructed to reorganize his office immediately for the collection of general intelligence.

No. 260
From: Tokyo
28 October 1941
To: Mexico #218.
(Strictly Secret.)

Have you begun the work of furnishing general information? Please wire me the results.

No. 261
From: Mexico (Miura)
28 October 1941
To: Tokyo #427.
(Secret.)
Re your #218.

After talking the matter over with the Naval Attaché here, we wired #57 to the Chief of the Special Service Section of the Naval General Staff, and we are present waiting for a reply. Since, for reason of the necessity of maintaining the security of the "L" organ, the naval authorities are not in favor of furnishing general information, will you please take the matter up again with the Navy and wire me the reply.

No. 262
From: Tokyo
5 November 1941
To: Mexico City #225
Re your #427.

General intelligence in contradistinction to Naval intelligence is used for reference purposes by the Foreign Office. Therefore please reorganize your office immediately along the line of my communication No. 953.

No. 263
From: Mexico City (Miura)
5 November 1941
To: Tokyo #432.
Re your # 225.

Your communication No. 953 has not arrived. Please wire the gist of it immediately.

Ambassador Nomura Sends Representatives to "America First" Meeting

Ambassador Nomura informed Tokyo that he had rushed Secretary Terasaki to New York on October 30 for the meeting of the America First Committee. There the intelligence agent has met _____ (Comment: DoD withheld name). Secretary Terasaki asked _____ (Comment: DoD withheld name) to tell Colonel Lindbergh, who was for "America First," that the United States was about to fight with Germany concerning its policy of "Britain First" in the Atlantic, and with Japan under its policy of "China First" in the Pacific. He commented on the fact that a crisis was at hand between Japan and the United States and that the American people did not understand the reason for such a war, although, fundamentally, it would be due to the China problem. Secretary Tarasaki had further stated on this occasion that it was a mistake to think that Japan would give in if it were driven into a tight corner by the United States. It was necessary to view realistically the situation in the Orient, since it was most inconsistent to fear a southward push by Japan and at the same time to cut off her petroleum supplies.

No. 374
From: Washington (Nomura)
1 November 1941
To: Tokyo #1027.

Secret outside the Department.

As the American First Committee was meeting in New York on the night of 30 October, I rushed Terasaki up to New York on that date. He met with (an associate of officials of the Committee). (As the American First Committee is being watched by the F.B.I. this must be kept strictly secret.) After commenting on the fact that a crisis is right at hand between Japan and the United States he told ---- that he would like to have him tell Colonel Lindbergh, who is for America first, that, while the American people do not understand the reason for such a war, it has to do with the China problem, that the United

States is about to fight with Germany over her policy of Britain first in the Atlantic, and with Japan over her policy of China first in the Pacific. --- consented and later the same evening he said that he had told him.

On this same occasion Terasaki also strongly asserted that it is a mistake, based on a misunderstanding of the Japanese psychology, to think that Japan will give in if she is driven into a tight corner by the United States, and that even as the United States is adopting a realistic policy in regard to Central and South America, it is also necessary to take a realistic view of the situation in the Orient, and that it is most inconsistent to express fear of a southward push by Japan, while at the same time cutting off petroleum supplies.

Relayed to New York.

No. 387

From: San Francisco (Muto)
9 November 1941

To: Washington Circular #282.

San Francisco to Tokyo #285.

The F.B.I. investigation of --- (who was president of the committee concerned last year, at the time when the organization was dissolved) and others connected with the organization is being continued.

The F.B.I. has seven able investigators on this job, so that it would seem as though they considered the case an important one.

Although judging from the type of investigation, it would seem as though they were most interested in gathering evidence to be used against --- and ---, it also is apparent that the Department of Justice feels the necessity of looking into this case, due to the numerous statements being made by the Dies Committee regarding Japanese propaganda in the United States. It also may be that they hope to make this the excuse for demanding recall from the United States of all Japanese Consuls-Generals and Consuls to Japan.

2. A rigid investigation of --- is being carried on. As he is officially registered as a foreign correspondent for the ---, there is little danger of his being indicated (prosecuted). During the examination he will no doubt have to prove that he was hired by the --- at \$350 per month. Therefore, please arrange matters there so that if --- should wire to "GO" of the --- for a confirmation of the above, "GO" is to wire back to --- this effect.

Frequency of Ship Movement is Left to Discretion of Consul

Since intelligence reports of battleship movements were made once a week, and the vessels could have traveled far from the vicinity of the Hawaiian Islands in that interval, Consul Kita was instructed by Tokyo to use his own judgment in reporting such movements. In addition, the Consul was asked to note the entrance or departure of capital ships and the length of time they remained at anchor. This dispatch of November 28 was translated on December 8, 1941.

According to a dispatch transmitted on November 29 and read by United States translators on December 5, Tokyo requested that, in addition to giving reports on ship movements, Japanese officials in Honolulu report even when there were no ship movements.

No. 287

From: Tokyo (Togo)
28 November 1941

To: Honolulu #119.

Secret outside the Department.

Intelligence of this kind which are of major importance, please transmit to us in the following manner:

1. When battleships move out of the harbor if we report such movement but once a week the vessels, in that interval, could not only be in the vicinity of the Hawaiian Islands, but could also have traveled far. Use your own judgment in deciding on reports covering such movements.

2. Report upon the entrance or departure of capital ships and the length of time they remain at anchor, from the time of entry into the port until departure.

No. 288

From: Tokyo
29 November 1941

To: Honolulu #122.

We have been receiving reports from you on ship movements, but in future will you also report even when there are no movements.

Japanese Continue To Watch Navy Maneuvers

From December 1 to December 6, 1941, Japanese intelligence dispatches were transmitted regularly to Tokyo. On December 1 a significant dispatch reported that ship maneuvers were held approximately 500 nautical miles southeast of Honolulu, with the battleships leaving Tuesday and returning Friday or leaving Friday and returning Saturday of the following week. It was noted that the fleet had never sailed westward or headed for the "kaiui" straits northward; the sea west of the Hawaiian Islands was not suitable for ocean maneuvers. The estimate of distance was based on the fact that fuel was plentiful, long-distance high speed possible, and the guns could not be heard at Honolulu.

No. 290

From: Honolulu (Kita)
1 December 1941

To: Tokyo #241.

(In 2 parts complete.)
Re your #119.

Report on the ship maneuvers in Pearl Harbor:

1. The place where practice maneuvers are held is about 500 nautical miles southeast of here.

Direction based on:

(1) The direction taken when the ships start out is usually southeast by south and ships disappear beyond the horizon in that direction.

(2) Have never seen the fleet to westward or head for the "KAIUI" straits northwards.

(3) The west sea of the Hawaiian Islands has many reefs and islands and is not suitable as an ocean maneuver practice sea.

(4) Direction of practice will avoid all merchant ship routes and official travel routes.

Distance based on:

(1) Fuel is plentiful and long distance high speed is possible.

(2) Guns cannot be heard here.

(3) In one week's time, (actually the maneuvers mentioned in my message #231 were for the duration of four full days of 144 hours), a round trip to a distance of 864 nautical miles could be reached (if speed is 12 knots), or 1152 miles (if speed is 16 knots), or 1440 nautical miles (if speed is 20 knots) is possible, however, figuring on 50% of the time being used for maneuver technicalities, a guess that the point at which the maneuvers are held would be a point of about 500 miles from Pearl Harbor.

2. The usual schedule for departure and return of the battleship is: leaving on Tuesday and returning on Friday, or leaving on Friday and returning on Saturday the following week. All ships stay in port about a period of one week.

No. 291

From: Tokyo (Togo)
2 December 1942

To: Honolulu #123.
(Secret outside the department.)

In view of the present situation, the presence in port of warships, airplane carriers, and cruisers is of utmost importance. Hereafter, to the utmost of your

ability, let me know day by day. Wire me in each case whether or not there are any observation balloons above Pearl Harbor or if there are any indications that they will be sent up. Also advise me whether or not the warships are provided with anti-mine sets.

Mr. Fuji Changes American Ship Maneuver Signals

On December 3, 1941, Ichiro Fuji informed the chief of the #3 section of Military Staff headquarters that he wished to change his communication signals for American ship maneuvers. Signal one would mean that the battleship divisions included some scouts and screen units and were preparing to sortie; signal two that a number of carriers were preparing to sortie; signal three that all battleship divisions had departed Hawaii between December 1 and 3; signal four that several carriers had departed between December 1 and 3; signal five that all carriers had departed between December 1 and 3; signal six that all battleship divisions had departed between December 4 and 6; signal seven that several carriers had departed between December 4 and 6; and signal eight that all carriers had departed between December 4 and 6.

A house on Lanikai Beach would be used as a signal station and would show lights during the night. One light in the window between 8 and 9 P.M. would denote signal one, one light between 9 and 10 P.M. would mean signal two, and so on; two lights between midnight and 1 A.M. would signify signal five, and so on. It was further explained that if there was a star on the head of the sail of the Star Boat it would indicate signal one, two, three, or four; if there was a star and the Roman numeral III, it would indicate signal five, six, seven, or eight.

Also used at night would be the attic window of the Kalama House, located on the east coast of Oahu, northwest of Lanikai. A similar system was to be used; for example, if the window was lighted between 1900 and 2000, it would indicate signal three, between 2000 and 2100 signal four, and so on.

In addition, signals would be transmitted through the regular broadcast station in Honolulu. For

example, if a radio advertisement read, "Chinese rug for sale, apply P.O. Box 1476," it would indicate signal three or six, whereas the advertisement, "Beauty operator wanted, apply P.O. Box 1476," it would indicate signal five or eight.

In case the light or broadcast signals could not be sent from Oahu, the signals would be given by bonfire daily on Maui Island until the Japanese "EXEX" signal was received. The signal bonfire would be located at a point halfway between lower Kula Road and Haleakala Road and would be visible from seaward to the southeast and southwest of Maui Island. If the fire was seen between 7 and 8 P.M., it would indicate signal three or six; between 8 and 9 P.M., signal five or eight.

No. 292
 From: Honolulu (Kita)
 3 December 1941
 To: Tokyo #245.

From Ichiro Fuji to the Chief of #3 Section of Military Staff Headquarters.

1. I wish to change my method of communicating by signals to the following:

- a. Arrange the eight signals in three columns as follows:

Meaning and Signal

Battleship divisions preparing to sortie:

- 1, including scouts and screen units
- A number of carriers preparing to sortie: 2
- Battleship divisions all departed between 1st and 3rd: 3
- Carriers, several departed between 1st and 3rd: 4
- Carriers, all departed between 1st and 3rd: 5
- Battleship divisions, all departed between 4th and 6th: 6

- Carriers, several departed between 4th and 6th: 7

- Carriers, all departed between 4th and 6th: 8

2. Signals

a. Lanikai Beach. House will show lights during the night as follows:

Signal

- One light between 8 and 9 p.m.: 1
- One light between 9 and 10 p.m.: 2
- One light between 10 and 11 p.m.: 3
- One light between 11 and 12 p.m.: 4

b.

- Two lights between 12 and 1 a.m.: 5
- Two lights between 1 and 2 a.m.: 6
- Two lights between 2 and 3 a.m.: 7
- Two lights between 3 and 4 a.m.: 8

Part 2.

c. Lanikai Bay, during daylight.

- If there is a "star" on the head of the sail of the Star Boat it indicates signals 1, 2, 3, or 4.

- If there is a "star" and a Roman numeral III it indicates signals 5, 6, 7, or 8.

d. Lights in the attic window of Qualm House will indicate the following:

Times Signal

- | | |
|----------------|---------------|
| - 1900-2000: 3 | - 2200-23—:6 |
| - 2000-2100: 4 | - 2300-2400:7 |
| - 2100-2200: 5 | - 0000-0001:8 |

e. K.G.M.B. Want Ads.

A. Chinese rug etc. for sale, apply P.O. box 1476 indicates signal 3 or 6.

B. CHICH..GO farm etc. apply P.O. box 1476 indicates signal 4 or 7.

C. Beauty operator wanted etc. apply P.O. box 1476 indicates signal 5 or 8.

3. If the above listed signals and wireless messages cannot be made from Oahu, then on Maui Island, 6 miles to the northward of Kula Sanatorium at a point halfway between Lower Kula Road and Haleakala Road (latitude 20-40N, longitude 156-19W), visible from seaward to the southeast and southwest of Maui Island) the following signal bonfire will be made daily until your EXEX signal is received:

Time and Signal

- From 7-8: 3 or 6
- From 8-9: 4 or 7
- From 9-10: 5 or 8

(COMMENT: This message was sent on December 3, 1941 but was not translated by American cryptanalysts until after the attack on Pearl Harbor.)

USS Lexington Departs Hawaii

Noting that three battleships had been at sea for eight days, Consul Kita said that the vessels returned to port on Friday morning, December 5. On the same day, the Lexington and five heavy cruisers left port. In port on the afternoon of December 5 were eight battleships, three light cruisers, and sixteen destroyers, while four ships of the Honolulu class were in dock.

No. 296

From: Honolulu (Kita)
5 December 1941

To: Tokyo #252.

(1) During Friday morning, the 5th, the three battleships mentioned in my message #239 arrived here. They had been at sea for eight days.

(2) The Lexington and five heavy cruisers left port on the same day.

(3) The following ships were in port on the afternoon of the 5th:

- 8 battleships
- 3 light cruisers
- 16 destroyers

Four ships of the Honolulu class and — — — were in dock.

(Comment: At sea near the end of the first week in December was the carrier USS *Lexington* accompanied by three cruisers and five destroyers on a combined search, which took them to the south and westward. - Battle Report, p.8.)

Consul Kita Notifies Tokyo of Balloon Barrage Defenses

On December 2, 1941, Tokyo directed the Japanese Consul at Honolulu to wire day-by-day reports concerning observation balloons above Pearl Harbor, or any indication that they would be sent up. In view of the present situation, the presence of battleships, carriers, and cruisers was of utmost importance, Foreign Minister Togo declared. He asked also that he be advised whether or not the warships were provided with antimine (torpedo) nets. This dispatch was not translated until December 30, 1941.

In accordance with these orders, the Consul informed Tokyo on December 6 that 400 or 500 balloons had been ordered in America and that their use was being considered in the defense of Hawaii and Panama. He reported, however, that, as far as Hawaii was concerned, no mooring equipment had been set up at Pearl Harbor nor had the troops been selected to man them. Furthermore, there were no indications that any training for the maintenance of balloons was being undertaken.

In addition, it was difficult for him to imagine that the Hawaiian defenses actually possessed any balloons. Moreover, there were limits to the balloon defense of Pearl Harbor. He imagined that in all probability there was considerable opportunity left for a surprise attack against Pearl Harbor, Hickham,

and Ford. He added that he thought the battleships did not have any torpedo nets, but he would investigate the details further.

No. 297
 From: Honolulu
 6 December 1941
 To: Tokyo #253.

Re the last part of your #123.

1. On the American continent in October the Army began training barrage balloons, but it is understood that they are considering the use of these balloons in the defense of Hawaii and Panama. Insofar as Hawaii is concerned, though investigations have been made in the neighborhood of Pearl Harbor, they have not set up mooring equipment, nor have they selected the troops to man them. Furthermore, there is no indication that any training for the maintenance of balloons is being undertaken. At the present time there are no signs of barrage balloon equipment. In addition, it is difficult to imagine that they have actually any. However, even though they have actually made preparations, because they must control the air over the water and land runways of the airports in the vicinity of Pearl Harbor, Hick, Ford and We, there are limits to the balloon defense of Pearl Harbor. I imagine that in all probability there is considerable opportunity left to take advantage for a surprise attack against these places.

2. In my opinion, the battleships do not have torpedo nets. The details are not known. I will report the results of my investigation.

Last Intercepted Intelligence Report Before Pearl Harbor Attack Lists Ships in Port

In an intercepted intelligence dispatch transmitted on December 6, 1941 from Hawaii, the last before the Japanese attack on Pearl Harbor, the Japanese Consul reported that a number of battleships and one submarine tender had entered port on the evening of December 5. Nine battleships, three light cruisers,

three submarine tenders, and 17 destroyers were at anchor, and four light cruisers and two destroyers were lying at the docks. The heavy cruisers and airplane carriers had left Honolulu. It appeared that no air reconnaissance was being conducted by the fleet air arm.

(Comment: Berthed in Pearl Harbor were eight of the nine battleships of the US Pacific fleet, nine cruisers, and a third of the Fleet's destroyers. Battle Report, p 6.)

No. 298

From: Honolulu
6 December 1941

To: Tokyo \$254

1. On the evening of the 5th, among the battleships which entered port were ——and one submarine tender. The following ships were observed at anchor on the 6th:

9 battleships, 3 light cruisers, 3 submarine tenders, 17 destroyers, and in addition, there were 4 light cruisers, 2 destroyers lying at docks (the heavy cruisers and airplane carriers have all left).

2. It appears that no air reconnaissance is being conducted by the fleet air arm.

Inaccuracy of Japanese Intelligence Reports

Since it was obvious at this time that Japan was attempting to obtain a total picture of military and naval strength in the Philippines, we well as last-minute information of ship movements and troop allocations, the accuracy of their spy reports may be gauged by comparing the information with an estimate of the strength of US air forces in the Philippines on November 27, 1941, as released by the Office of the Chief of Naval Operations. Japanese agents estimated that 1,283 military and 26 naval planes were based in the Islands (the former was later very slightly raised). Since according to the American estimate, 43 Navy planes and 298 Army planes were

based in the Philippine Islands, our air strength in the Islands was greatly overestimated: there were 17 more Navy planes than were reported but 985 fewer Army planes than were listed by Japanese agents.

No. 332
27 November 1941

U.S. AIR FORCES IN THE PHILIPPINES

NAVY Type and Strength

- PBY-4 (Patrol): 14
- PBY-4 (Patrol): 14
- SOC-3 (Scout Observation): 4
- SOC-1 (Scout Observation): 2
- J2F-4 (Utility): 3
- SOC-1 (Scout Observation): 2
- SOC-2 (Scout Observation): 2
- 052U-2 (Observation): 2

TOTAL: 43

Two squadrons of OS2U airplanes, 24 in all, are being sent to the Philippines as soon as practicable. It is expected that they will be shipped from San Pedro in January, 1942.

ARMY

- B-18 (Heavy Bomber): 18
- B-17 C&D (Heavy Bomber): 35
- P-35A (VF): 52
- P-40B (VF): 30
- P-40E (VF): 117
- O-46A (VO): 7
- O-49 (VO): 3
- O-52 (VO): 10
- A-27 (Dive Bomber): 9
- A-39 (Combat): 1
- C-49 (Combat): 1
- P-26A (VF): 15

TOTAL: 298

In addition to the above 57 type A-24 dive bombers have been shipped to the Philippines this month, and further extensive reinforcements have been approved for complete delivery by February, 1942.

No. 306
 From: Manila (Nihro)
 1 November 1941
 To: Tokyo #722.

1. The TON, MADDO, HON, 7 destroyers, 8 submarines and 3 minesweepers entered port on the 31st. But the TON left again on the morning of the 1st, destination unknown.

2. On the morning of the 2st the President Cleveland and President Madison left port loaded with American soldiers whose time was up, (number uncertain).

3. According to reports received from what we believe are reliable sources the number of American military and naval plans in the Philippine Islands is as follows:

(a) Military Planes

- Large, bombers, 29.
- Scout planes, 324.
- The same, B type, 62.
- Fighters, 317.
- The same, B type, 62131
- Pursuit planes, 302.
- The same, D type, 69.
- Training planes, 49.
- Total, 1283.

(b) Naval planes

- Large flying boats, 26.

4. Ships in port on the 1st: MAD, BAKE, PIES, HON, BEER, 9 destroyers, 3 submarines, WOHOTOSU, 3 minelayers. In Cavite: REI, PASU, 2Z.

5. According to a report from the De La Rama steamship company two of their ships, the Dona Estaban (1616 tons), and the MADBUKARU (191 tons), had been requisitioned by the local American Army.

No. 316
 From: Manila (Nihro)
 10 November 1941
 To: Tokyo #746.

Re my #722, first part of part 3—the number of large attack planes, latest models, 4-motored B-19's, is 32.

Re my #727, the black soldiers are American Negroes.

Japanese Official Analyzes Roosevelt's Domestic and Foreign Strategy

On November 12, 1941, a Japanese intelligence official in Washington sent Tokyo a report on the Roosevelt administration's method of dealing with the Japanese-American situation. In an effort to aid in the defeat of Germany, President Roosevelt had inaugurated military, economic, and industrial measures, which would eventually lead America into complete war. By assisting Great Britain, it had already entered the conflict on the high seas. While the US Army was not yet equipped to fight a war with Germany on land, for the present at least, the US Navy could engage German warships on the high seas. Nevertheless, in spite of the fact that President Roosevelt had almost dictatorial powers in regard to Congress and the military officials, the American people were not in complete sympathy with his policies. For example, on 10 November 1941, the *Times Herald* had stated that Roosevelt was as much a dictator as Hitler or Stalin. Furthermore, the American First Committee was secretly working to impeach President Roosevelt. On 30 October 1941 at Madison Square Garden, 8,000 members of the America First Committee gathered as a demonstration

against the foreign policies of the present American Government.

In Washington, a former American Ambassador demanded that President Roosevelt be forced to resign his position as President by means of a referendum. He even went so far as to state that President Roosevelt might easily die during this disastrous period in the nation's history. This statement drew great applause from the audience. Apparently, the Japanese intelligence official went on to say, the move to impeach President Roosevelt was widespread and was initiated by many varying factions. An editorial in the *Times Herald* on November 4, 1941 warned that it would be impossible for Congress to impeach President Roosevelt because of the whip he held over the Army and Navy. Nevertheless, the editorial in this and other papers did mention the possibility of President Roosevelt's being impeached at some time, and the Japanese intelligence official believed this to be extremely significant.

As an indication that the American people were not entirely behind President Roosevelt's aid to Britain, the Japanese official cited the occurrence in Detroit when Ambassador Halifax was pelted with eggs. The American public as a whole had begun to view the prospect of war in its unprecedented aspects and after the sinking of the *Reuben James*, the country received a great shock. Although President Roosevelt took advantage of this sinking to declare an unlimited national emergency, in his speech on October 27, 1942, he did not stress foreign questions but placed his emphasis almost entirely upon America's internal problems.

No. 86

From: Washington (Nomura)
12 November 1941

To: Tokyo #1077.

(Part 1 of 4.)

From the Intelligence Official.

1. The ROOSEVELT administration is dashing along the road of military, economic, and industrial reconstruction with the object of defeating the Nazis.

So far as war on the sea is concerned, the United States has already entered the conflict. Even if ROOSEVELT should now decide to leave the Nazis be, he is already in too deep. Even though he tried to do a 180 degree turn, his economic reconstructionists would not let him. Therefore, it can be said that the United States is following the one road to complete war.

2. It is true that the American army is not yet equipped, but even if war were declared against Germany, no more than the present ocean fighting would be necessary and, therefore, such a declaration is possible. The reason why things are not going so well for the administration in this connection, however, is because the people are not complete behind it.

ROOSEVELT has the full support of the government, the military, and the Congress and is tantamount to a dictator (on the 10th, the *Times Herald* said in an editorial that ROOSEVELT is a dictator in no way less than HITLER or STALIN). The people, however, most certainly do not support ROOSEVELT. During the last two or three weeks this has been particularly evident. Let us look into some concrete examples: According to reliable reports the leaders of the America First Committee are secretly endeavoring with all their ingenuity to impeach ROOSEVELT. The stronger government pressure against it becomes, the more belligerent does this committee grow, and it may well be that the time will come when they will resort to force. The pressure of the government against the America First Committee is also becoming fierce. On October 30 in New York, there was a meeting of this committee, but they could not make any radio broadcasts. ROOSEVELT's own life is in grave danger. On that night in Madison Square Garden, the immense crowd totally 8,000 filled the building to overflowing.

No. 86
 From: Washington (Nomura)
 12 November 1941
 To: Tokyo #1077

(Part 2 of 4.)

At a mass meeting in Washington, ----, a former Ambassador, made a scathing attack on the ROOSEVELT regime and demanded a referendum against this deliberate drift toward war. On that occasion he said that at this so fateful moment in the nation's history Roosevelt might die. These were words of profound meaning and drew great applause from the audience. The Times Herald in an editorial said that the President holds the whip over the Army and Navy and has the full support of the Government. Therefore, it will be impossible for the Congress to impeach him. The editorial said, however, that some believe that he will be impeached, in any case, later on. Now, for papers in their editorials to use the word "impeach" cannot be overlooked as something light. Furthermore, pickets in front of the White House recently carried placards on which were written the words "Impeach the President". Another thing, some days ago in Detroit, Ambassador HALIFAX was pelted with eggs. Again the sinking of the Reuben James gave the popular spirit of this country a great shock and filled the people with a gloomy foreboding. In his speech on October 27th, ROOSEVELT did not stress foreign questions so much as he did internal matters. This is to be regarded as a declaration of internal warfare whereby ROOSEVELT whipped from its scabbard the sword of an unlimited national emergency.

No. 88
 From: Washington (Nomura)
 12 November, 1941
 To: Tokyo #1077.

(Part 3 of 4.)

2. The congress, as I said, is supporting ROOSEVELT. True enough, the Senate approved the entrance of armed merchantmen into the war zones; however, the actual figures were 50 to 37, and this

could not, by any means, be called a crushing defeat of the opponents. This also may be regarded as a reflection of public opinion.

Things being as they are in the country, in order to dispel the dilemma and to condition the people for a war against Germany, it may be now that a counter-hand will be played. I mean to say, many people in the United States fear the German war machine frightfully. However, they know how we have fought so hard in China for four years and figure that we are about worn out. They also figure that we are weak in materials. They do not think that we could resist them very much and optimize over how quick we could be to come to our knees.

If we scrutinize this psychology closely, we find that the ROOSEVELT administration, although it does not want a two-ocean war, would probably not do anything to prevent the outbreak of a war with Japan, depending on how we Japanese act. Perhaps a point-blank declaration of war might be made. Then the people's thirst for blood could be stimulated, an unlimited emergency declared, the America First Committee dispersed, and all opposition crushed. Then they figure the popular mind might turn favorable for a war with Germany. In other words, we Japanese would be merely the tool with which the American administration prepares the way for coming to grips with the Reich.

4. What will happen if the United States and Japan come to blows? Well, Germany now has a vast occupied territory and is in the most favorable position to talk peace. England is already complaining that the United States is not sending her enough help. Germany, of course, does not want a long war, and she may suddenly, on unexpectedly generous terms, conclude peace with England. I mean to say that while the United States would be at grips with us, American aid to England would naturally slow down and give Germany a chance to make a separate peace with Great Britain. Germany will certainly do her best to achieve this feat.

No. 89

*From: Washington (Nomura)
12 November, 1941*

To: Tokyo #1077.

(Part 4 of 4.)

The New Deal failed, and the opposition to ROOSEVELT within the country became unmanageable. Just then the European war took a more lively turn through Germany's invasion of the Netherlands. ROOSEVELT, who is well-versed in international questions, joined the war then and there. It might be said that HITLER's attack on the Netherlands caused ROOSEVELT to enter the struggle immediately. Japanese-American relations are now at identically that same pass. I mean to say that a war with Japan would put the people squarely behind ROOSEVELT and make him a dictator. He knows fully that if he has to fight, there will be a suitable opportunity which would not admit delaying war. Furthermore, in view of Japan's foreign policy, it can be seen that our relations with the United States have reached such a pass that a decision on war is about the only thing that could raise them from the dead. Judging from internal conditions in the United States, for the foregoing reasons there is no hope for a thorough-going pact at the present time. It would be better to devise some relatively easy small-scale makeshift of a temporary nature laying stress on economic matters. Germany will keep sinking American ships and the President's position will become harder and harder, so as soon as a show-down with Germany is inevitable, then we can get a full-fledged pact. Again, if we do have to fight the United States, we could do this much better after she is at war with Germany.

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