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No. 1226 - 3 August 1945

By Auth. A. C. of S., G-2
 Date 3 August 1945
 also C. W. G.

WAR DEPARTMENT
 Office of A. C. of S., G-2

"MAGIC"—DIPLOMATIC SUMMARY

NOTE: No one, without express permission from the proper authorities, may disseminate the information reported in this Summary or communicate it to any other person.

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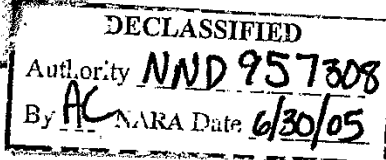
The enemy knows that we attempt to exploit these sources. He does not know, and must not be permitted to learn, either the degree of our success or the particular sources with which we have been successful.

MILITARY

1. Further Japanese reports of Soviet military movements to the Far East: Since April various Japanese diplomatic posts have been forwarding to Tokyo reports of Japanese couriers traveling through Russia concerning eastward shipments of troops and military supplies (DS 23 Apr, 19, 28 May, 7, 13 Jun 45). In the last report noted, Ambassador

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 199656
 WLMR
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Sato advised Tokyo that couriers traveling between Manchouli and Moscow in the middle of June had observed 171 military trains in all, carrying an "estimated total of 120,000 troops" and various items of military equipment (DS 23 Jun 45). Two further messages from Sato now indicate that the rate of military shipments was stepped up during July.

On 10 July the Ambassador reported that two couriers had observed a total of 202 eastbound military trains while traveling west over the Trans-Siberian (presumably between Chita and Moscow) during the period 29 June-6 July. The contents of 88 of these trains were unidentified, but with respect to the remainder the couriers counted "2,932 cars carrying troops" [a total of 117,280 troops at the normal rate of 40 men to a car], 2,920 motor vehicles (including 338 automobiles), 144 heavy tanks, 126 pursuit planes, 64 anti-tank guns, 81 cannon, and 91 antiaircraft guns. The couriers noted that the mechanized and artillery units had "the appearance of being front-line units" and that several of the vehicles were "considerably damaged" suggesting that they had been transferred directly from the western front.

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On 28 July Sato forwarded to Tokyo the observations of another group of couriers made during a recent trip from Manchouli to Moscow;* this report may be summarized as follows:

a. Between Manchouli and Chita, there were "very brisk" military shipments and 45 eastbound military trains were observed. "The impression was received that the Russians were reinforcing their troops on the Outer Mongolian frontier."

b. Between Chita and Yaroslavl (about 165 miles northeast of Moscow) the couriers noted a total of 391 eastbound military trains which they estimated were carrying 170,000 troops, 9,800 motor vehicles, 60 tanks, 200 self-propelled guns, 450 anti-tank guns, 89 rocket guns, 220 airplanes, 300 barges for crossing streams, 83 pontoon bridges, and 2,900 horses.

c. The couriers estimated that "present eastbound military shipments have apparently reached

*Sato's message does not give the actual period covered by the trip. On 28 July, however, the Japanese Naval Attache in Moscow reported that the couriers had arrived there on 25 July.

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the maximum capacity of the Trans-Siberian Railway." Construction of sidings and expansion of rail facilities were observed to be going on "everywhere".

2. Japanese intelligence report: On 31 July Japanese Naval Counselor Nishihara in Berne forwarded to the Navy General Staff in Tokyo the following information, which he attributed to "a British informant":

(JN-5
1868-H
NOW)

"American preparations for a landing on Japan will not be completed as soon as American military authorities secretly gave Great Britain and Russia to understand they would be. That is why the United States, just before the Potsdam Conference, made a great deal of propaganda about Japanese unconditional surrender--without, however, achieving any result.

"The Americans, it seems, had decided upon September or October for a landing, but British military authorities warned them (1) that military preparations were not yet sufficient to take the decisive step of a landing on the Japanese

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mainland, and (2) that they [the Americans] could not succeed by their own power alone-- although from an operational standpoint they could, of course, establish a beachhead on the Japanese mainland and throw the populace into confusion.

"The present American offensive is manifestly based on political and diplomatic considerations."

Note: As noted in yesterday's Summary, in a report of 22 July Nishihara himself predicted successful landings on the Japanese homeland this autumn and advised Japan to stop the war now in order to save her "national structure".

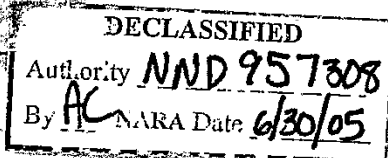
3. A French view of Allied intentions toward Indo-China: On 21 July French Charge Daridan in Chungking advised the French Foreign Ministry that Consul Royere in Kunming (a) had heard the Americans were moving large quantities of war materials southward toward the Indo-China border and (b) believed that "the Sino-American command" desired to penetrate deeply into Indo-China "in order to limit the eventual zone of

(199682
WCM)

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British occupation" (DS 29 Jul 45). Ten or eleven days later--the exact date is uncertain--Daridan sent in substance the following message to Paris:

"Mr. Royere states that he has learned from a very well-informed American source that (1) a 'race' is about to start between General Wedemeyer, General MacArthur, and Admiral Mountbatten for the liberation of Indo-China, and (2) General MacArthur has the best chance of winning since he purportedly has prepared an ----- [word uncertain, possibly "invasion"] on the coast (of Annam or Cochin-China) for the beginning of September."

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POLITICAL1. Turkish version of British information on (199684
WMM)

Potsdam discussions of Russo-Turkish problems: On 27 July the Turkish Foreign Ministry sent the following message to Ambassador Sarper in Moscow, and also to the London and Washington Embassies:

"1. Information which the British Ambassador gave us today, 27 July, is submitted in section 2.

"2. a. The conversations about Turkey ended on the evening of 24 July without a decision having been reached.

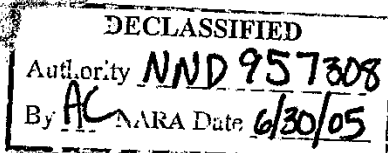
b. The conversations that day took place on a proposal advanced by the President that the freedom of the Straits be recognized and guaranteed by an international authority which would include the Big Three Powers.

c. Stalin did not agree that this would in any way take the place of Soviet bases in the Straits. Stalin finally said that he did not consider the matter sufficiently explored as yet; and that the Soviet Government would resume the conversations with the

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Turks, which had been interrupted.

d. The problem of Kars and Ardahan was not discussed in yesterday's talks; but on 23 July Stalin indicated that, if there were no territorial adjustment, Turkey could not expect an alliance.

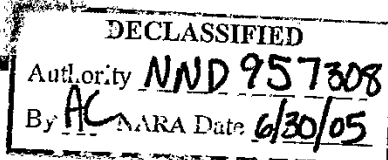
e. It is possible that the Soviets may increase their pressure on Turkey. We the British recommended to the Turks that they keep calm and that to all Soviet offers they reply in a definite way that the problem must be solved on an international basis. At the end of the session the President undertook to explain that an international control would be advantageous to Turkey. We hope that the Turks understand the very great importance of the President's proposal to the effect that the American Government itself will guarantee the freedom of the Straits, also; and that the Turks will carefully think this over.

"3. This is . . . for your personal information only."

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Note: On 19 July the Turkish Foreign Ministry sent out a circular directing that no messages on secret matters be dispatched until further instructions. The 27 July message noted above was, however, sent in a cryptographic system which has long been in use.

2. Beynet on French convention with Levant States (199036
WHT)

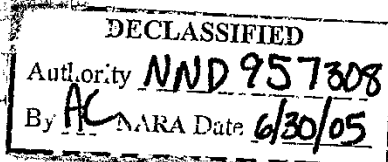
States: Now that they have come to an understanding with the Levant States on the transfer of the native Troupes Speciales and, provisionally, on the disposition of French forces in the Levant, the French hope to negotiate general agreements covering their relations with the States. A 27 July message from Delegate General Beynet to Foreign Minister Bidault discloses that Paris has recently sent Beynet the draft of a so-called "convention d'établissement," and that Beynet has substantial objections to it. The message does not give the terms of the draft, but Beynet's criticisms include the following:

- a. "I point out to you especially that (1) no mention is made of air communications, (2) ambiguity exists concerning the ----- word missing of this convention to the French Empire, . . . (3) there is a disadvantage in introducing,

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as does Article 5, cultural and educational questions in the convention d'établissement, since the States could advance this fact as a reason for delaying the conclusion of a [separate] cultural convention, and (4) it is not certain that it is to our interest to introduce the 'most favored nation' clause in our first agreement in the nature of a convention with the States."

b. "I must emphasize the danger presented by the signing of a convention d'établissement without ---- [words missing] being established with the conclusion of a cultural agreement. As matters now stand, the convention d'établissement, which guarantees the lot of the Syrian and Lebanese colonies in France and . . . the French Empire, presents very great advantages for the Beirut and Damascus Governments without bringing us anything substantial. That convention therefore constitutes a bargaining medium--probably the only one we still have--for assuring that the cultural convention, in which you place such great store, may not be definitely abandoned."

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g. "At the time of the Franco-Syrian negotiations, which were interrupted by the crisis in May, it had been formally established that the agreements to be concluded between France and the States constituted a whole and [would] not [be] signed separately. That formula . . . must, in my opinion, be taken up again by us in order to reserve the future and to mark our desire of consolidating France's cultural situation by means of a conventional text as soon as circumstances allow."

3. Spanish reaction to British elections: (199145
HMM)

On 29 July the Foreign Ministry in Madrid sent the following directive to Spanish representatives abroad:

"The initial triumph of Labor was foreseen as a possibility by our Government, and Your Excellency need not alter your standard of action."

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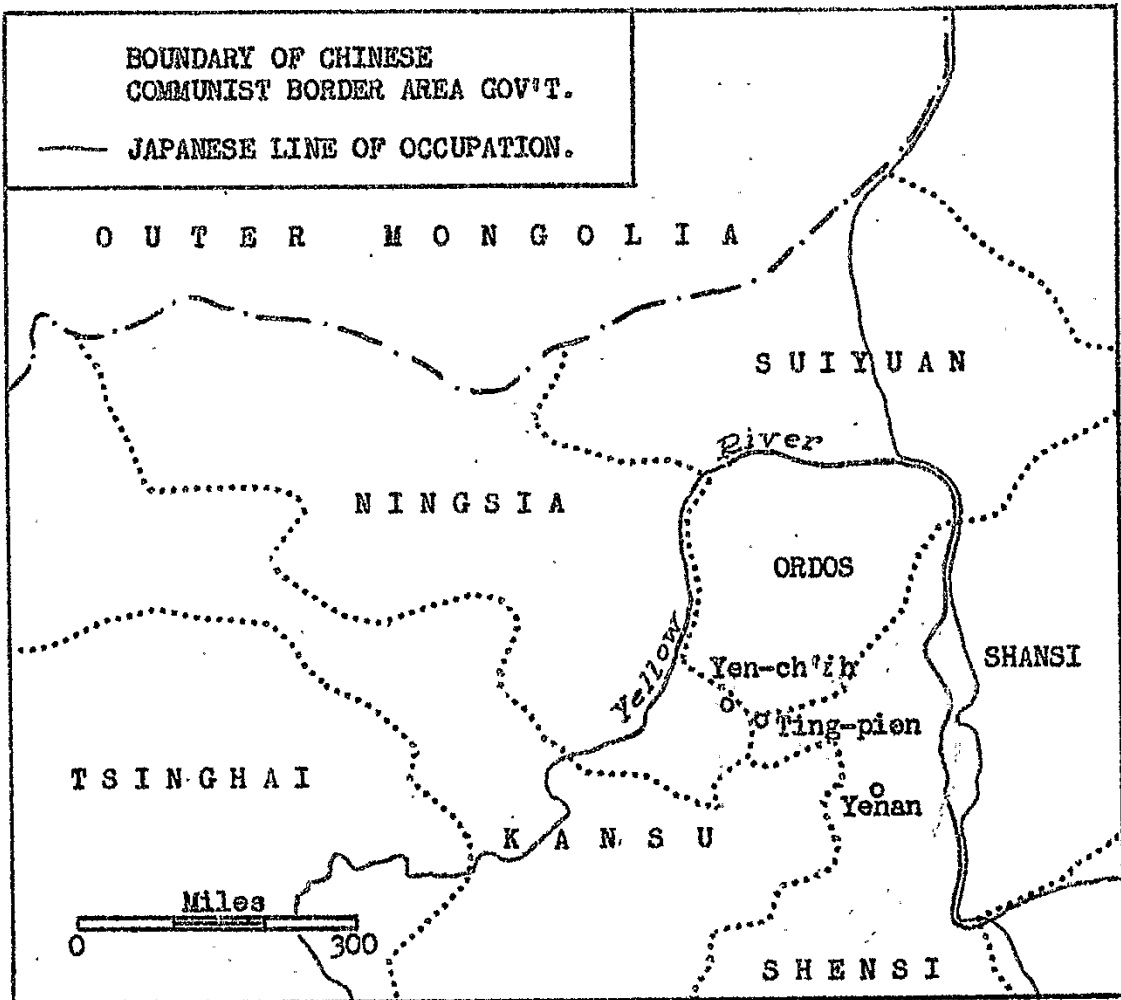
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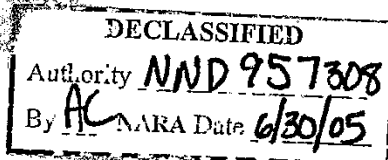
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PSYCHOLOGICAL AND SUBVERSIVE

1. Chinese Communist activities reported (198771
190710
WPG
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spreading to northwest: On 18 July the Japanese Con-
sul at Taiyuan (in central Shansi Province, north-
western China) sent the following information to Tokyo:

a. The Chinese Communist Party, anticipating
Chungking's plans to acquire territory in the north-
west and apparently intending to coordinate its
activities with a Soviet drive to the east, has been
active in the Ordos region of Suiyuan and elsewhere in
the northwest. From bases at Ting-pien and Yen-ch'ih,





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the Communists are carrying on underground activity against Ordos and ceaselessly spreading discord among the "Mongolian Peace Preservation Corps" [presumably units in eastern Suiyuan].

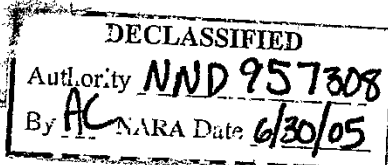
b. In order to win over the Mohammedans of the northwest, the Communist Party has set up a separate office in Ting-pien, and has sent its "chief political fomenter" to infiltrate into all parts of Ningsia and Kansu Provinces. The Communists are using Mohammedan temples as bases and spreading propaganda to the effect that the Mohammedans are being discredited and victimized and that they are a minority which is being discriminated against--thereby stirring up feeling against Chungking. The Communists have also recently organized a "Mohammedan Mutual Assistance Society" and a "Mohammedan Youth Organization", and are issuing a monthly magazine called "The Mohammedan Letter".

Note: The Mohammedans constitute a minority in Inner Mongolia (according to a Chinese source they

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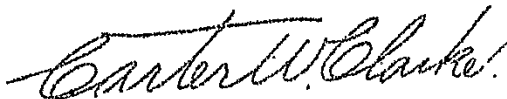


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make up less than one tenth of the population of Ningsia and unoccupied Suiyuan). However, they control the caravan trade of Suiyuan and Ningsia, and possess wealth and political influence in excess of their numerical strength.

For the Assistant Chief of Staff, G-2:



CARTER W. CLARKE
Brigadier General, GSC
Deputy Chief, MIS

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PART II

1. Japanese Army's interest in peace negotiations: The second half of Foreign Minister Togo's 2 August message to Ambassador Sato--now available--contains the first statement to appear in the traffic that the Japanese Army is interested in the effort to end the war with Soviet assistance.

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WLMR)

In the first half of his message (noted yesterday), Togo stated in part that (a) "in accordance with the Imperial Will, there is a unanimous determination

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to seek the good offices of the Russians in ending the war," (b) "although it is difficult to decide on concrete peace conditions here at home all at once * * * we are exerting ourselves to collect the views of all quarters" on that subject, and (c) "under the circumstances there is a disposition to make the Potsdam Three Power Proclamation the basis of our study concerning terms."

The remainder of the message reads as follows:

"Accordingly, the most urgent task which now confronts us is to persuade the Soviet Government to accept the mission of our Special Envoy. His Majesty, the Emperor, is most profoundly concerned about the matter and has been following developments with the keenest interest. The Premier and the leaders of the Army are now concentrating all their attention on this one point.

"I therefore particularly ask that you consider these circumstances. While I can appreciate the cogency of the views you have expressed,* I

*In his report of 30 July, to which Togo's message was in reference, Sato had stated that, in the light of the Three Power Proclamation, there was no chance of persuading Russia to accept the Special Envoy and that: "There is no alternative but immediate unconditional surrender if we are to try to make America and England moderate and to prevent Russia's participation in the war" (DS 1 Aug 45).

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must nevertheless urge you to continue to do your utmost to rouse the enthusiasm of the Soviet Government and persuade it to accept our mission.

"Whatever happens, if we should let one day slip by, that might have ----- [word uncertain, probably "results"] lasting for thousands of years. Consequently, if the Soviet Government should reply in the negative [to Japan's 25 July request that a Special Envoy be sent for the purpose of obtaining Russia's "good offices"] I urge you to do everything possible to arrange another interview with Molotov at once. Try to get from him a definite answer one way or another on the basis of my 25 July message* and do your

*In that message Togo had instructed Sato to try to induce the Russians "to adopt a positive attitude with respect to our proposal" by emphasizing that (a) "Japan has approached the Russians in the first instance with her request for mediation," (b) "the sending of the Special Envoy would permit Stalin to acquire the reputation of an advocate of world peace," (c) "we are prepared to meet fully the Russian demands in the Far East," and (d) if the "Soviet Government remains indifferent to our request, we will have no choice but to consider other courses of action." Later on in the message Togo commented on the Zacharias broadcast mentioning the Atlantic Charter and said: "It is our idea to inform them [the Americans] by some appropriate means that there is no objection to the restoration of peace on the basis of the Atlantic Charter. In all likelihood the difficult point is the enemy's attitude of insisting on the form of an unconditional surrender" (DS 26 Jul 45).

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best to induce the Soviet Government to reconsider
the matter and furnish us with an immediate reply."

For the Assistant Chief of Staff, G-2;

Carter W. Clarke

CARTER W. CLARKE
Brigadier General, GSC
Deputy Chief, MIS

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