

[80]

Secret

Sent No. 510, 12/5

DECEMBER 5, 1941.

ASSISTANT CHIEF OF STAFF HEADQUARTERS,

C2 Hawaiian Department, Honolulu, Territory Hawaii.

Commander Rochefort immediately thru Commandant Fourteenth Naval District regarding broadcasts from Tokyo reference weather.

MILES.

[81]

Secret

1549WR Washington DC 74/78 RCA USG STAT 7 1218F.

C G

Hawn Dept Ft. Shafter, T. H.

520 7th Japanese are presenting at one pm eastern standard time today what amounts to an ultimatum also they are under orders to destroy their code machine immediately stop just what significance the hour set may have we do not know but be on alert accordingly stop inform naval authorities of this communication

MARSHALL.

EXHIBIT NO. 33

MILITARY INTELLIGENCE ESTIMATES PREPARED BY G-2, WAR DEPARTMENT,
WASHINGTON, D. C.

Military Intelligence Estimates, 1 July-7 December 1941

Item	Date	Subject
1	7 July	Estimate of the Eastern Siberian Situation.
2	11 July	Strategic Estimate of the Situation.
3	17 July	Japanese Movement into French Indo-China.
4	17 July	Mobilization of Additional Japanese Manpower.
5	18 July	New Japanese Cabinet.
6	18 July	Strategical Estimate of the Situation.
7	25 July	Sanctions against Japan.
8	30 July	German-Japanese Relations.
9	16 August	Developments in the Far Eastern Situation.
10	20 August	Chinese Resistance.
11	2 September	Conversation between the Japanese Military Attache and the Chief, Far Eastern Section.
12	5 September	Brief Periodic Estimate of the World Situation.
13	11 September	Political Developments in Japan.
14	17 September	Combat Estimate, Japan.
15	18 September	Strategic Estimate of the Situation.
16	23 September	Crisis in Japan.
17	2 October	Japanese-American Relations.
18	16 October	Fall of the Japanese Cabinet.
19	17 October	Japan's New Premier.
20	21 October	Kwantung versus the Siberian Army.
21	1 November	Possible Japanese Drive into Yunnan.
22	2 November	G-2 Estimate Far Eastern Situation.
23	13 November	Possible Japanese Drive into Yunnan.
24	25 November	Far Eastern Situation.
25	26 November	Japanese Naval Task Force.
26	27 November	Recent Developments in the Far East.
27	29 November	Brief Periodic Estimate of the Situation December 1, 1941-March 31, 1942.
28	5 December	Supplementary Brief Periodic Estimate of the Situation December 1, 1941-March 31, 1942.
29	6 December	Estimate of Japanese Strength in Indo-China.
30	6 December	Estimate of Japanese Air and Ground Forces in Indo-China, Hainan and Formosa.

NOTE.—Items 2, 6, 8, 9, 12, 15, 17, 22, 23, 25 26 were classified Secret.

Items 1, 3, 4, 5, 7, 10, 11, 13, 14, 16, 18, 19, 20, 21, 24, 27, 28, 29, 30 were classified Confidential.

I. B. 93

JULY 7, 1941.

Memorandum for the Chief of Staff:

Subject: Estimate of the Eastern Siberian Situation.

1. Eastern Siberia, that is to say, the region lying between Lake Baikal and the Pacific Ocean, is a distinct entity quite separate from the other portions of Siberia and old Russia. Remote and lying behind the Lake Baikal-Lena River barrier, its terrain is not that of the swampy railway-dominated wilderness of Central Siberia but admits of normal troop deployments and operations. It is economically distinct in its mineral deposits, its fisheries and its self-contained economy. Politically and psychologically it is distinct, little changed from Czarist days. It thinks for itself and will act for itself first, and for the rest of Russia only secondarily.

2. It is quite within the range of possibility that should Stalin and his communist regime be driven out of Russia the retreat would be to this Far Eastern Region.

3. The Russian forces in this region are a homeogenous army of 51 divisions, 2,500 tanks, 1,600 airplanes, 94 submarines and 220 coastal boats as opposed to Japanese forces of 10 divisions, 1,000 tanks, 300 airplanes and a balanced Fleet. The distribution and relationships of these forces are shown on the accompanying map.

4. This region is potentially a sufficiently homeogeneous one to constitute an effective buffer-state between the Bering Sea Region and the Axis powers, German or Japanese.

5. A German occupation of Eastern Siberia would require the employment of combat forces of such size as to be very difficult, if not impracticable, of accomplishment at the end of a 2,000 mile single railway system. The Axis allocation of this region, therefore to Japan is the more likely procedure, though supported perhaps by German air power and political pressures.

6. With the memory of the Russian superior fighting ability demonstrated in the border affrays of 1938-39, the Japanese are unlikely to take aggressive action against Eastern Siberian land forces. This is confirmed by evidence from other and highly authoritative sources of reluctance to change from their present southern orientation to a northern one. This, however, does not preclude increasing Japanese pressures through Outer Mongolia towards Verkhneudinsk, of naval blockades of the entrances to the Sea of Japan, the Sea of Okhotsk and possibly Bering Sea.

/s/ C. H. Mason,
C. H. MASON

Colone. of Infantry, G. S. C.,
Chief, Intelligence Branch.

Distribution:

The President
Secretary of War
Chief of Staff
War Plans Division
Office of Naval Intelligence
G. H. Q.
General Embick
Mr. McCloy (Record Section)

I. B. 103-2

JULY 11, 1941.

Memorandum for the Assistant Chief of Staff, W. P. D.

Subject: Strategic Estimate of the Situation.

1. At your informal request there are attached revised data on the foreign situation. These data supersede those furnished by 1st Indorsement, May 26, 1941, to your memorandum W. P. D. 4510, May 24, 1941.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

1 Incl.—G-2 Data for W. D. Strategic
Estimate of the Situation.

DATA FOR WAR DEPARTMENT STRATEGIC ESTIMATE OF THE SITUATION

1. SUMMATION OF THE SITUATION

a. Germany, possessing a central position and ground and air forces superior to any individual opponent, has exercised her initiative by attacking Russia. This attack will be at least so successful that, subsequent to the fall of 1941, Germany will have regained her ability to strike outwards from a central position.

b. The British Empire, widespread, with superior surface sea power, but deficient in man power, organization and battle leadership, is necessarily on the defensive. To her, the German attack on Russia affords a breathing spell in which she can buttress her home and Middle Eastern defenses. Assumption of the strategic offensive in any theater is beyond her power.

c. U. S. S. R., ill organized but formidable because of her size, is exposed to the full vigor of German attack. The most that can be expected of her is that she will remain in being in her distant fastnesses after the German onslaught has been spent. However, the German attack has cancelled out Russia as an Axis source of supply from the short-term viewpoint.

d. The United States, with a superior navy in one ocean, but without effective weapons and with but few combat organizations, is committed to opposition to Germany, is providing limited material support to the Axis' enemies, but lacks the means to take overt battle action against Germany in her own or anyone else's behalf.

e. All other countries are but the fringing satellites of the four great powers. China, Italy and Japan have some military, but indecisive potency. The others are themselves trivial, or of importance only in combination with others.

2. SITUATIONS OF INDIVIDUAL POWERS

a. Germany

(1) Germany is now engaged in a major war with Soviet Russia and has launched an offensive on the very broad front from the Arctic Ocean to the Black Sea. In this offensive, her armies are supported by the armed forces of Finland, Slovakia, Hungary and Rumania.

(2) A large part of the German Army of 260 divisions is engaged in this Russian offensive, although some 60 divisions remain on guard in Western Europe and Norway against the possibility of a British attack in the West.

(3) The bulk of Germany's 20 armored and 20 motorized divisions are also thought to be engaged in this Russian campaign.

(4) A large part of the German Air Force of some 11,000 planes in 850 combat squadrons, and organized into seven or more air fleets, is conducting offensive operations against Russia, while at the same time there has been held a considerable number of air units in Western Europe and the Mediterranean as a defensive precaution. Around 5,000 planes in combat squadrons are believed to be participating in the campaign against Russia. To provide this operating mass of aircraft, the air forces in the Western European and Mediterranean Theaters have necessarily had to be greatly reduced below the levels prevailing in May, 1941.

(5) The German Navy, much inferior in tonnage to the British and recently weakened by the loss of the "Bismarck," is conducting an aggressive submarine campaign against British shipping with about 150 submarines. An unknown number of German auxiliary cruisers are also aggressively active against British seaborne commerce.

(6) The political and economic situation in Germany is sound. The "Hess affair" does not seem to have affected adversely the will of the German nation to continue the war.

(7) German-French relations are improving as the two nations draw closer together. Already the economic resources of France are beginning to play a considerable role in the German war effort.

(8) In consequence of this major offensive against Russia, no German offensive operations are to be expected in any other theaters of war in the immediate future. In particular, no invasion of England or of Iceland is probable during the remainder of 1941. Germany's ground forces will, undoubtedly, remain on the strategic defensive in both the Western European and Mediterranean Theaters until she can spare troops and aviation from Eastern Europe.

(9) In case of victory over Russia during the summer or fall of 1941, one may expect as logical further German moves:

(a) The consolidation of the German hegemony in Europe (less the British Isles).

(b) The expulsion of Britain from the Mediterranean.

(c) The continuation of the war of attrition against the British seaborne commerce.

(10) The complete entry of the United States into the War would probably not change the plans of the German High Command nor affect for the present Germany's military, political and economic position. It would undoubtedly depress somewhat the war spirit and morale of the German people. It would so stimulate the morale and hopes of Germany's subject populations as to increase greatly the Reich's problems in controlling them. On the other hand, our entry into war would cause Germany to activate her existing fifth column arrangements in Latin America.

b. Japan

(1) *Military Situation.* Japanese forces are deployed over a wide area from Karafuto in the north to Indo-China in the south. The Chinese, in spite of internal friction, continue to resist passively any advance by the Japanese forces. Japan has for some time been gradually assembling an expeditionary force, originally for a possible movement into southeast Asia, but which now may eventually be used in an attack upon the Maritime Provinces.

(2) *Economic Situation.* Japan is economically weak because she lacks essential war materials, adequate foreign exchange, sufficient foreign trade; she is also encumbered with financial problems connected with the war in China.

Economically Japan will be no worse off than she is at the present time unless greater obstacles are placed before her economic progress. Availability of German technical advice and the acquisition of war materials from Thailand and Indo-China will improve her economic position. Japan is increasing her imports of oil from the United States instead of decreasing them. Japan could not be thrown into bankruptcy under present circumstances; if she undertakes a war with a major naval power, much greater obstacles would immediately be placed before her economic progress.

(3) *Political Situation.* The Japanese will support any decision made by the Japanese Government. The military and naval authorities continue to be the predominant influence in Governmental decisions. It is believed that the naval authorities, and business interests will exert every effort to avoid a conflict with the United States regardless of the latter's participation in the European War.

(4) *Psychology of Japanese.* The intense patriotism, the remarkable recuperative capabilities and an indomitable tenacity of purpose along with a frugal and low standard of living have enabled the Japanese people to accept and even support the frightful cost of the indecisive war in China.

(5) *Lines of Action.* Japan has the following alternatives:

(a) Maintain status quo in China.

(b) Withdraw her armed forces from the area south of the Great Wall, make peace with Chiang Kai-Shek and use only economic penetration into south-eastern Asia.

(c) Withdraw sufficient forces from the Chinese mainland to facilitate an advance:

(1) Southward.

(a) Contain or isolate the Philippine Islands and Hong Kong, attack British Malaya via Thailand and Indo-China or by direct attack by land, sea, and air.

(b) Contain or isolate the Philippine Islands and Hong Kong, and attack the Netherlands' East Indies or Borneo.

(c) Reduction of the Philippine Islands and Hong Kong prior to movement to the south.

(2) Northward against Russia to secure the Maritime Provinces Japan has long regarded as indispensable to her security.

Actions indicated in (1) are all contingent upon the success of the Axis forces in the European War.

(6) *Most Probable Action.* Japan will probably continue to assemble, by gradual withdrawals from China, a field force for possible employment either in Southeastern Asia or against Russia. Her hopes of empire are bound up with an Axis victory and she is subject to strong German pressure to attack Russia at

once; nevertheless it is believed that she will avoid precipitate action and will continue her policy of avoiding war with Russia on the one hand and with the United States and Great Britain on the other. If forced or if electing to choose between action against Russia or to the Southwest, she will be influenced by Germany's success against Russia, particularly as regards possible Russian troop withdrawals from Siberia, and by America's action, particularly as regards the distribution of United States' naval strength, and as regards attempts to send supplies to Russia through Vladivostok. Should the choice be the southward advance, it will probably consist of a containment of Hong Kong and the Philippine Islands while attacking British Malaya via Thailand and Indo-China.

c. *British Empire.*

(1) The British Empire, at war, is on the defensive; its army, naval and air strength dispersed on exterior lines, with the United Kingdom, a theatre of combat partially encircled by hostile assault positions, absorbing the principal effective military strength. The Imperial Forces are composed of an equivalent of 84 divisions, 233 squadrons and some 360 war ships. The Army has suffered severe reverses in the past year but its morale is still high. There is a great shortage of supporting weapons, tanks, anti-aircraft and anti-tank guns and ammunition in the Army in all theatres. While the Navy has lost several important vessels in the Atlantic, the Home Fleet has had several valuable additions. The Mediterranean Fleet was severely damaged at the Battle of Crete. Economically the condition of the Empire is not satisfactory; unless more severely restrained, German attacks on the vital sea lanes could make the United Kingdom's condition critical in less than six months. Politically the Empire is intact; so far, no important territory has been lost to the enemy. Psychologically the whole people have developed a will to win, and an increasing application of all energy to the war effort is noted. At present the Empire is not able to assume the offensive except in air raids of limited depth on the continent of Europe and in minor areas such as in Syria. Forces in the United Kingdom have limited capacity for raids against the German-held coast line of Europe. In spite of many defeats the spirit of the people is unperturbed and morale is unbroken.

(2) Great Britain still faces a possibility of invasion. Some 40 divisions and an estimated 180 squadrons of first-line airplanes are in a state of readiness to repel a German attack. The Army forces are well-trained and continuously exercised; the air forces are, in fact, constantly engaged in combat. The Army is supported by a well organized and partially armed Home Guard and an effective civil organization to counter the probable German efforts to create confusion before and during invasion. The Royal Air Force has successfully restricted large scale German air attacks on England to night operations. While it has not been able to prevent German air raids on shipping, it has become increasingly effective in a narrow zone on the Continent during the pre-occupation of the German air force in Russia. The principal mission of the Fleet at present is to reduce shipping losses due to German attack on vital sea lanes. A readily assembled naval force is a vital factor for the defence of the British Isles against invasion. The promptness of action and effectiveness thereof will be increasingly influenced by the measure of relief from distant patrolling which might result from American naval patrols east of the 30th Meridian. The reduction of shipping losses is one of the keys to the situation of Great Britain. In addition to the importation of raw materials (some 30,000,000 tons) to keep industry going, the United Kingdom must import an absolute minimum of 10,000,000 tons of food-stuffs, per annum, for human consumption.

(3) In the Middle East (Mediterranean area), the British have available some 16 divisions. They have finally disposed of all Italian forces in East Africa but they have lost their previous gains in Libya. A beleaguered British garrison at Tobruk, some 30,000 strong, is in a precarious position. A recent British offensive with one of its objects to relieve that situation ended in defeat. It is expected that the Germans will concentrate on an effort to reduce the British position. A British offensive is not possible although there may be a desperate effort to fight their way out. A small British force has put down the uprising in Iraq and has cooperated with other small British and the Free French forces in consolidating Syria. The British defeat at Crete was a severe one, especially for the Royal Navy. Repairs to individual ships and small reinforcements have enabled the fleet to participate in the Syrian campaign and to continue in a limited fashion its attack on Italian and German war communications. The Cretan campaign has definitely proved that the Mediterranean Fleet is no longer free to operate at will in that sea so long as German and Italian shore-based aviation

are maintained in their respective positions in effective strength. The opportunities for the Fleet and its future usefulness are therefore bound to more and more restricted. Already the supply of the British troops in Malta and Tobruk is a very serious matter and the supply of British troops in the Eastern Mediterranean area must now be undertaken through the Persian Gulf and Red Sea. The withdrawal of the Fleet from the Mediterranean is likely, especially if there is sufficient warning of a resumption of a major German threat in the Eastern Mediterranean. The Royal Air Force operating in the Middle East consists of approximately 30 squadrons. The principal key to the Middle East situation is the receipt of supplies from the United States. It is problematical if these will arrive in sufficient quantity or time to enable the British Command to arm and equip sufficient forces to maintain the defence of that area.

(4) In the Far East (Singapore area), there are approximately 4½ divisions, 2 Indian, 1 Australian, and the remainder made up from local forces. At Hong Kong there is approximately a brigade of British troops and a few local units. The Royal Air Force has about 13 squadrons in this area. There are also minor naval forces.

(5) Lines of Action:

To continue on the strategic defensive in all theatres until such time as unforeseen events will permit the offensive, and to seek by every possible means to bring the United States into the war at the earliest possible moment.

d. *Italy*

(1) Italy, although previously defeated in the Mediterranean, has now emerged a tarnished victor as the result of active German support. While her East African colonies must be written off, she has acquired considerable Balkan territory, including the strategically important and long-desired Dalmatian coast, and her North African colony, Libya, is again almost in her possession.

(2) The Italian Army, which must be considered second rate, consists of approximately 86 divisions. It is estimated that trained man power is available for an additional 64 divisions, provided Germany could and would furnish the necessary equipment. There are about 1,500 so-called first line planes in the air force which are inferior to those of Germany and Great Britain in performance and armament. Pilots are not well trained. The Navy has, to date, made a sorry showing; however, it still must be reckoned a potent force with its present strength of 4 battleships, 11 cruisers, 75 destroyers, and 72 submarines, especially if supported by ground-based German aviation and operating against a weakened British Mediterranean fleet.

(3) Italy lacks practically all essential raw materials, including oil and steel, and was prepared for a war of only a few weeks' duration. Due to the British blockade, she has become dependent on Germany for most of her supplies, food excepted, which is resulting in German control of her industries. With rationing, she has sufficient food for her needs and is able to furnish a certain amount to Germany.

(4) The general unpopularity of the war, coupled with disastrous military defeats, resulted in rather open criticism of the Fascist Regime, together with considerable discontent. However, recent German-assisted victories and the fact that if Mussolini goes, the Germans will take over completely, have strengthened the position of Il Duce and have bolstered the morale of the mercurial Italian.

(5) Italy may be considered a second-rate military power that is a potential threat as long as she is backed by German military might. She is now in the position of a satellite of Germany, to be employed in any capacity that Hitler believes will further his aims. In this connection, the obvious and almost certain lines of action open to Italy are: (1) to maintain the defensive Axis position in the Mediterranean until the completion of the Russian campaign; (2) to provide the garrisons for the recently conquered Balkan countries; (3) to send a contingent of troops (probably a "token" one) to participate in the Russian campaign; and (4) to assist in the warfare on British shipping.

(6) The entry of the United States into the war should have no immediate effect on Italy other than causing a certain lowering of Italian morale due to the fact that a longer war is presaged.

e. *France*

(1) *Metropolitan France*, politically subservient to Germany, economically impotent and faced with possible starvation this Winter, hating the Germans and Darlan and beginning to criticize even Petain, has an Army (94,200 men) and an Air Force (273 planes) of no combat value.

Fleet (1 Battle Cruiser, 7 Cruisers, 34 Destroyers, 30 Submarines) has potential value. It is conceivable that Darlan might order it to aid Germany. Division of opinion among officers is accentuated by Vichy's decision to collaborate.

The recent creation of the Croatian kingdom under Italian suzerainty tends to free France from the traditional Italian claims in Nice and Corsica and so removes one of the French fears of further Axis aggression.

The long-range possibility exists that growing hatred of Germans and of the Darlan regime, fanned by food shortage, will produce an internal crack-up with obvious repercussions in other occupied countries.

Conclusions. Ground and air forces will not fight for Germany and cannot fight for Britain or even for themselves.

If ordered to aid Germany, some fleet units would be scuttled, some would run for North (or West) Africa, some would follow orders. Potential value of fleet as such would be destroyed.

US participation in the war would not alter the situation except to hasten the internal crack-up—especially if accompanied by wise radio propaganda.

(2) *Syria*, has just been conquered by British and Free French forces. Conquest of Syria by Britain will strengthen Allied *geographical* position in Near and Middle East but will increase administrative responsibilities and will require fair sized force for occupation and police, in other words, dispersion of military forces.

(3) *North Africa*, best governed of French territories, is short of food and other supplies, and is subject to intense Nazi propaganda. It has 8 incomplete Divisions (80,000 men), lacking mechanized equipment and short of munitions for major operations. General Weygand is much respected and strongly dislikes Germans and Darlan. Air Force has 286 planes; Navy has—Algeria; 7 Destroyers, 13 Submarines—Morocco: 1 incomplete Battleship, 7 Destroyers, 2 Cruisers, 4 Submarines. The Navy is less anti-British than the Toulon Force; the navy commander is strongly pro-American. Combat value of the troops is high.

Conclusions. Weygand will make every effort to prevent extension of collaboration to Africa but lacks means for aggressive action and can defend only if assured of prompt and adequate aid. He would not accept British aid initially.

US participation, if accompanied by materialization of prompt and adequate aid, will enable Weygand to hold North Africa.

(4) *Dakar* is the headquarters of the West Africa Government, Anti-American feeling is current there now due to unwise press and radio references to Dakar. A vital strategic location, with excellent port and air facilities, well defended from sea and air, it has successfully withstood one attack from the sea. West Africa has 6 Divisions (70,000 men), 96 planes, 1 immobilized Battleship, 8 Cruisers, 2 Destroyers, 10 Submarines. Dakar is vulnerable from land side—forces landing at St. Louis (186 miles North by good road and railroad) and Bathurst (162 miles South by good road and ferry).

Conclusions. Dakar will resist British attack. Navy would resist strenuously any US Navy attempt to take it; Army and Air Force would resist initially and half-heartedly; public would welcome US effort if wise radio propaganda prepares the way.

(5) *De Gaulle* has 2 completely equipped Divisions and a third in process of formation. Majority of his forces are with the British in East Africa and Egypt; 1 Division is operating in Syria.

Conclusions. Vichy collaboration will accelerate increase of Free French forces. Wise radio propaganda will step up the acceleration. Reported that Weygand dislikes de Gaulle personally but it is believed that—in the event of US participation—an offer by de Gaulle to place himself and his forces under Weygand's orders, to regain French independence, would be accepted. But all these forces are too inherently unstable and weak to form the predicate of any American plan.

f. *Netherlands*

(1) *Western Hemisphere possessions:*

Surinam: 950 troops, mostly black and mostly at Paramaribo; inadequately armed and equipped. The threat from 6,000 criminal prisoners in adjoining French Guiana is faced by 50 Dutch Marines on border.

Curacao: 1010 troops, including 618 British Infantry.

Aruba: 899 troops, including 612 Cameron Highlanders (Flanders veterans).

Bonaire: 50 Military Police.

Conclusions: It is believed that, preceded by proper diplomatic negotiations, U. S. occupation, in trust, of Netherlands possessions in Western Hemisphere would be welcome.

(2) *The Netherlands East Indies*, well governed, prosperous, untroubled by native difficulties or unrest, has about 80,000 men under arms, mostly on Java but with garrisons at important centers on Sumatra, Borneo, Celebes. The Island of Java and main centers on other islands are well fortified, harbors are mined, oil properties are adequately prepared for quick destruction if necessary, Navy has 3 Cruisers, 7 Destroyers, 13 Submarines, 40 auxiliaries—all modern. Air force has about 450 planes, mostly American and with large proportion of bombers. Continuous reconnaissance flights are made over the whole archipelago constantly. Defense plans are coordinated with those of British at Singapore and the Dutch have a firm determination to defend stubbornly.

Conclusions: The Netherlands East Indies will offer stubborn defense to attack. If the attack is determined and sustained, outer islands will have to be sacrificed, after destruction of oil properties, and defense will concentrate on Java which can be held until adequate naval aid arrives from U. S. forces. It is not believed that Britain is in a position to give the required aid alone.

g. U. S. S. R.

The U. S. S. R. is now engaged in a defensive war with Germany and has available for operations the following forces:

(1) *Military Forces*.—180 infantry divisions; 44 cavalry divisions; 79 tank brigades; 39 air divisions (total number of planes, 6,600). It is estimated that 5,000 planes are physically present in the western and southwestern frontier districts. General effectiveness estimated fair.

(2) *Naval Forces*.—Are considered a negligible factor in this war effort.

The definite policy of the Government is to pursue a defensive course and provide adequate armed defense forces in the critical areas of the Soviet Union. Active participation in offensive operations as acts of aggression are not the policy of the Regime; however, in areas where U. S. S. R. vital interests and defense demand that aggressive military operations be undertaken, such action has been taken and will follow.

(3) *Economic*.—Major effort within the Soviet Union industrially is to provide for the immediate self-sufficiency of the nation in munitions and war supplies. Transportation and production are inefficient, due to faulty production methods, inadequate supply of high-grade machine tools, and a lack of qualified technicians.

(4) *Morale*.—Morale within the Red Army is good; morale of the population is satisfactory in spite of the low standard of living, purges, etc.

(5) *Political*.—The recent pact with Japan indicates definite agreement with respect to the Far Eastern situation. A declaration on the part of Great Britain supporting Russia as an ally in the Russian-German conflict has again given Russia a definite place in European affairs.

The Comintern through the Soviet Regime is striving for a world revolution in the interests of Communism. Unless the U. S. S. R. emerges one of the victors in this war, Communism will definitely be on the way out in Europe.

The U. S. S. R. has the following lines of action open in case the United States entered the war as an ally of Great Britain and Russia: (1) Vigorous offensive conduct of the European conflict. (2) Continue a defensive war as at present until offensive operations can be conducted, assisted by British-U. S. support. (3) Continued withdrawal, if necessary, to the Urals to avoid decisive defeat to lengthen German supply difficulty. It is believed the U. S. S. R. would adopt action (2).

h. Latin America.

(1) The Latin American republics, while able to defend themselves against internal aggression, cannot do so if the subversive elements are given direct support by the German air forces. These countries, due to their geographical and economic situation, their insistent demands for military assistance have become liabilities to the United States.

(2) The German military successes have increased their reluctance to permit the United States to establish desired military and naval bases.

(3) The necessity of U. S. bases in Latin America has become not only essential but *urgent*.

(4) The establishment and occupation of bases requires, at least, several months.

(5) The time has come when the United States must make specific requests for immediate concession of bases at Natal, Brazil; the Galapagos Islands, Ecuador; Buenaventura, Colombia; and Acapulco, Mexico. Further postponements, particularly as regards Natal, might prove disastrous if the Germans seize the French naval base at Dakar. The American Republics must be shown that further delay in the concession of bases might not only be interpreted as an attitude of non-cooperation, but that it will also jeopardize the defense of the Western Hemisphere and the integrity and independence of their Sovereignty.

JULY 17, 1941.

Memorandum for the Chief of Staff:

Subject: Japanese Movement Into French Indo-China.

1. As was made known to the Chief of Staff July 15, 1941, the Japanese Government on July 12, 1941, delivered what amounts to an ultimatum to the Vichy Government, the terms of which, among other items, provided for the occupation by Japanese armed forces of eight air bases and two naval bases in Southern Indo-China (see attached map).

2. It is the considered opinion of this Division that this Japanese movement as planned, while opportunistic in conception, was also strategically defensive in character and designed primarily to prevent British and American influence from shutting off supplies of rubber, tin and rice from Thailand and Indo China which are badly needed by Japan.

3. The French were given until July 20th in which to comply with Japan's demands. Military preparations were initiated by the Japanese, but no military pressure had been put on Indo-China up to midnight July 15-16.

4. On July 16th the Japanese Cabinet resigned en masse. It is too early to attempt a detailed explanation of this act. For the present, it must be taken as further proof of the fact, known for some time, that there was an element of violent discord in the inner government circles of Japan.

5. Until the personnel of the new Cabinet is announced it would be futile to attempt a prediction as to Japan's possible change of policies. One fact seems evident, however, and that is that Vichy will be given a breathing spell and the expedition to Indo-China may be deferred or even abandoned.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Enclosure 1.

cc: A. C. of S., WPD.

JULY 17, 1941.

Memorandum for the Chief of Staff:

Subject: Mobilization of Additional Japanese Manpower.

1. Prior to the resignation of the Japanese Cabinet, July 16, 1941, a large scale mobilization was started in Japan under unusual conditions of secrecy. This mobilization is continuing.

2. The Military Attache in Tokyo reports that a part (strength unknown) of this new force is being shipped to Manchoukuo to join the Kwantung Army.

3. In view of the fact that the major part of the Japanese Army is pinned down in China without a large mobile reserve and the further fact that the Siberian Army is about twice the size of the Kwantung Army (20-30 Divisions to 12), the strengthening of the Japanese force in Manchoukuo appears to be a logical precautionary procedure.

4. Whether she moves south or north Japan needs more men.

5. In the opinion of this Division the first aggressive move, if made, will be into Indo-China to deny this region to a DeGaulist Pro-British, Pro-American faction steadily growing in power there. Japan, while building up her strength in Manchoukuo, will then await the outcome of the German-Soviet War. If

and when Germany crushes European Russia and the Siberian Garrison deteriorates in strength or morale, Japan will probably move in to seize the long desired Maritime Provinces of Siberia.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Copy to War Plans Division.

I. B. 99

July 18, 1941.

Memorandum for the Chief of Staff:
Subject: New Japanese Cabinet.

1. A United Press dispatch from Tokyo dated July 18, 1941, states that Prince Konoye has selected the key men for a new and highly militaristic Cabinet. Vital posts are reported as follows:

Premier.....	Prince Konoye
War Minister.....	General Tojo
Navy Minister.....	Admiral Oikawa
Home Minister.....	Baron Heranawa
Foreign Minister.....	Admiral Toyoda

2. The first four named above are hold-overs from the former Cabinet. Admiral Toyoda replaces former Foreign Minister Matsuoka.

3. Admiral Toyoda was a protege of the former Admiral Baron Saito (assassinated in 1936 while Premier) and is regarded as a moderate. He is known as a clever, able officer, a specialist in Ordnance, and as having had considerable experience in diplomacy, particularly with the British.

4. The new Cabinet may be regarded as strongly nationalistic, and while probably more moderate and conservative than would have been the case had an Army Officer been given the portfolio as Foreign Minister, it may be that added impulse will be given to Japan's Southward Advance. In this connection, it must be remembered also that Admiral Toyoda has just completed a tour as Minister of Commerce and Industry, and is fully aware of the deplorable condition of Japan's foreign trade and internal economy. He may be expected, therefore, to take steps, as Foreign Minister, which will improve foreign trade conditions since such trade is the life blood of industrial Japan.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

Secretary of War
Chief of Staff
War Plans Division
GHQ
ONI
General Embick
Mr. McCloy (Record Section)

JULY 18, 1941.

Memorandum for the Chief of Staff:
Subject: Strategic Estimate of the
Situation.

1. The following estimate has been prepared as requested in Memorandum from the Assistant Chief of Staff, WPD, 4570, June 6, 1941, which requested information on the Axis Powers as of July 1, 1941, July 1, 1942, and July 1, 1943, as a basis for the War Department STRATEGIC ESTIMATE. Specific data requested in paragraphs 2 (1), (2) of the Memorandum cited and (3) on Axis naval, air and field forces are enclosed.*

2. Estimate of disposition--military, political, economic and psychological.

a. July 1, 1941.

Germany, with the initiative, was employing the mass of her ground and air forces against the U. S. S. R., without, however, relaxing her campaign against shipping serving the British Empire. Elsewhere the military effort of the

*Omitted.

European Axis was at a minimum. Japan, her army practically contained by China, was contemplating action against Indo-China, but her policy was dominated by the uncertainties arising from the Russo-German campaign and the final outcome of the whole war. An Axis political offensive was in full swing with a view to consolidating a "United States of Europe" to include Spain and Portugal and the French, Spanish and Portuguese possessions in Africa. Axis propaganda was being used effectively in Latin America and throughout Islam and with less effect in the United States and India.

b. *By July 1, 1942.*

(1) The following are envisaged:

(a) German defeat of U. S. S. R. and re-establishment of German military initiative.

(b) Participation of the U. S. in the war under Rainbow 5.

(2) Under the foregoing the following are estimated to be the Axis disposition and capabilities:

[2] German occupation of the U. S. S. R. to Lake Baikal and possibly to the Pacific. Possible Japanese occupation of the Maritime Provinces of Siberia. Axis control of Africa, roughly north of the line Fernando Po—Djibout is either accomplished or imminent. Continuation of the aerial and naval siege of the British Isles. German attempt to invade Great Britain or (more probable) a broad strategic movement through the Middle East toward the Indian Ocean, possibly in conjunction with a southwestward advance by Japan. The political consolidation of Europe under German leadership will have been accomplished, but the political cohesion of this entity will be low. Germany and Japan will be obviously war-weary. Economic exploitation of the U. S. S. R. will have barely begun. While still debarred physically, militarily and economically from Latin America, the Axis will have achieved a considerable amount of political disunion in that area by intrigue and propaganda. German propaganda will tend to hve become less effective in India, the United States and the Moham-medan world.

c. *By July 4 1943.* Axis dispositions and capabilities are estimated as follows:

Germany will still possess superior ground forces. The invasion of the British Isles, if not already achieved, will now be impracticable. Germany will have extended her penetration southward in Africa and will still be able to renew the offensive in the Middle East. Japan, if not irrevocably committed to war on the side of the Axis, will tend to stand aloof. German economic exploitation of Russia will have progressed, but the general economic condition of Europe will be low. Axis morale will be generally low and war-weariness will be rife. There will be no real political cohesion in Europe. The Axis propaganda effort, centered on Latin America will be losing ground.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Enclosure
Distribution
War Plans Division
G. H. Q.
General Embick
Mr. CcCloy (Record Section)

dya

JULY 25, 1941.

Memorandum for the Chief of Staff:
Subject: Sanctions against Japan.

I. *Discussion.*

1. On July 12, 1941 the Japanese Government announced that it had decided to take over control of the nation's capital funds which are to be mobilized in the interests of the state. The new policy apparently discards the past economic set-up and calls for mobilization and distribution of capital at the will of the government in order to attain maximum production as well as to bolster the defense structure.

2. The new policy is obviously a belated attempt to improve the deplorable economic conditions in Japan—conditions pointed out in confidential Economic Estimate, Japan, May 27, 1941, compiled in the Far Eastern Section, this Division, a copy of which is attached hereto as Tab I.*

*Omitted.

3. This centralization of capital, which is merely an extension of the control which the government has already secured over industry and other branches of Japanese economic life, will undoubtedly bring about a more efficient control of Japan's internal structure, but will contribute nothing toward the acquisition of critical and essential raw materials so badly needed by Japan's war industries.

4. A step toward this latter end is Japan's current move to occupy southern Indo-China. In the opinion of this Division this will be followed by an extension of Japan's control to include Thailand. Further aggression by Japan after consolidating her position in these new points d'appui will be predicated upon the outcome of the European War.

5. For some time, the policy of our government has been based upon a desire to restrain Japan by moral embargoes and export control, neither of which were stringent enough to drive Japan into further aggressive action toward Malaysia and the Netherlands Indies.

[2] 6. A discussion as to whether this policy was sound at the time of its adoption is immaterial to a study of the current situation. The fact stands out, however, that Japan has now burst through these mild restraints imposed by the United States Government and is now embarked upon new aggression which endangers the safety of all the areas in the southwestern Pacific, including the Philippine Islands.

7. Under these circumstances the last reason for withholding effective sanctions against Japan has been brushed aside.

8. Attention is invited to the last sentence on page 61 of Tab I which reads: "The United States is today in a position to wreck completely the economic structure of the Japanese Empire." This statement is as sound today as when it was written in May, 1941.

9. Effective economic sanctions against Japan imposed by us, today, would not, in the opinion of this Division, force Japan to take any steps in the way of aggressive action which she does not plan to take anyway, when a favorable opportunity arises, nor would they precipitate a declaration of war on us by Japan. Such action on our part need not and should not distract our attention from the main theater of operations. On the contrary, by adopting such a policy we will be able to conserve for Britain and for ourselves supplies which from the viewpoint of our national defense, are being worse than wasted when we place them in Japanese hands.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

1 Enclosure: Tab I.

Copies to:

Secretary of War
Secretary, Joint Board
Deputy Chief of Staff
War Plans Division.

dps

[Pencilled notation:] This memo was written prior to receipt of information regarding embargo decision.

S. M.

H.

JULY 30, 1941.

Memorandum for the Chief of Staff:
Subject: German-Japanese Relations.

I. Discussion.

1. The American Ambassador to Japan in a telegram to the Secretary of State dated July 23, 1941, points to a trend in Japanese public and private opinion indicating that Japan is no longer a happy partner in the Tripartite Agreement. He states that there has been a gradual weakening over a considerable period of time of the ties binding Japan to the Axis Powers. He further states a feeling he has had for some time that if the Germans ran true to form they would sooner or later overshoot their mark in Japan, and that the proud and sensitive Japanese people would eventually realize the fundamental contempt and scrawny concealed arrogance of the Germans for the Yellow Race.

2. According to the Ambassador there is a growing feeling among many Japanese that Japan is being treated as a satellite, if not as a dependent, a feeling

which has been developing as the result of the increasing influx of Nazi officials (including members of the Gestapo) into Tokyo, the efforts of these officials to exercise a controlling influence in matters of domestic concern and in many aspects of Japanese life, and the constant interference by the German Ambassador in trying to regiment Japanese newspapers along Axis lines.

3. The Ambassador remarks that as usual, the Germans have overshot their mark.

4. The Ambassador reported in a telegram to the State Department dated July 27, 1941, that Former Foreign Minister Matsuoka informed the Turkish Ambassador that he had cabled Ribbentrop 48 hours in advance of the Nazi attack on the Soviet asking if there were any truth in reports of such an attack and Ribbentrop replied with a categorical denial.

5. Our Minister to Thailand in a telegram to the Secretary of State dated July 26, 1941, reported that the Prime Minister had informed him that Lt. Col. Scholl, German Military Attache, had called and warned him (the Prime Minister) against "going too far" with Japan, "because", said the German Attache, "you cannot trust Japan". The German Attache stated further that "Germany will settle with Japan after she has won the war in Europe."

6. In view of the conditions depicted above, the time appears ripe for the judicious use of information which will have as its aim the dissolution of the Tripartite Agreement. Any action on our part which will make Japan an even more reluctant Axis partner weakens our potential enemies, enhances our own prestige and authority and materially and favorably affects our national defense.

II. Recommendation.

That the Secretary of War confer with the Secretary of State with a view to placing the information contained in paragraph 5 above in the hands of the Japanese Ambassador.

/s/ Sherman Miles

SHERMAN MILES,

Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2

Distribution:

Secretary of War
Chief of Staff
War Plans Division
G.H.Q.
General Embick
Asst. Sec. of War

I. B. 112

AUGUST 16, 1941.

Memorandum for the Chief of Staff:

Subject: Developments in the Far Eastern Situation.

1. It is believed that the Japanese Government, with the sanction of the Emperor, has decided upon a foreign policy whose objectives are as follows:

- a. Adherence to Tripartite Pact.
 - b. Establishment of a Greater East Asia sphere of co-prosperity (under Japanese domination and control) regardless of other developments in the world situation.
 - c. Disposal of the China Incident.
 - d. Expansion southward for reasons of economic and strategic security.
2. In implementing the foregoing policy, it is believed that Japan proposes to take steps as follows:
- a. Increased pressure on China from various points in the south.
 - b. Seizure by Japan of all Foreign Concessions in China.
 - c. Politico-military pressure on Indo-China and Thailand to facilitate Japan's southward advance.
 - d. Preparation for an attack on Siberia, but to be made at her own chosen time.
 - e. A resort to every means available to keep the United States out of the war.

3. Since the adoption of the policy outlined in paragraph 1 above Japan has secured military and economic control of Indo-China, is in a position to enforce her military and economic demands on Thailand and to threaten the vital Burma railroad and road, and has increased the strength of the Kwantung

Army (in Manchoukuo) to about 600,000 officers and men as opposed to a Russian force, east of Lake Baikal, of about 400,000. The following factors, however, unfavorable to the successful implementation of Japan's aggressive policy, have been injected into the situation:

- a. The German time-table for the subjugation of the U. S. S. R. has gone awry.
- b. The United States and Great Britain have frozen Japanese assets.
- c. Great Britain has announced an embargo in exports to Japan.
- d. The American, British and Dutch armed forces in the southwestern Pacific have been materially strengthened.
- e. Great Britain and the United States have pledged aid to the U. S. S. R. and additional aid to China.
- f. The President of the United States and the Prime Minister of Great Britain have announced accord on an eight point program which, while not mentioning Japan by name, presents a long-range threat to her position as an Axis Power and to the retention of her conquests.

4. The great danger in the situation lies in the fact, so often proved, that Japanese military and naval authorities are not under the complete control of their Government. We have seen for the past year an extraordinary example of discipline and self control exercised by the German military in conformity to their Government's decree of avoiding any possible armed clash with the United States. We can, unfortunately, expect no such self denial and restraint on the part of the Japanese military. We can only hope that they will at least follow for a time the policies of their Government.

5. There are clear indications that, in spite of the decisions outlined in Paragraphs 1 and 2 above, the Japanese Government is willing to take extraordinary diplomatic measures to keep the United States out of the war, at least temporarily. There are indications that Japan is unwilling to commit herself to the extent that Germany would like to see her committed. There are indications that Japan realizes that she must make some concessions to the strong political stand now taken by the United States, even though those concessions consist largely in further conversations and negotiations.

6. Considering all of the above, this Division believes that forceful diplomacy vis-a-vis Japan, including the application of ever increasing military and economic pressure on our part, offers the best chance of gaining time, the best possibility of preventing the spread of hostilities in the Pacific area and of the eventual disruption of the Tripartite Pact. The exercise of increasingly strong "power diplomacy" by the United States is clearly indicated.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

The President
Secretary of War
Assistant Secretary of War
Chief of Staff

War Plans Division
Office of Naval Intelligence
General Embick.

dya

AUGUST 20, 1941.

Memorandum for the Chief of Staff:

Subject: Chinese Resistance.

1. General Chu, Chinese Military Attache, called on me today at his request to discuss the general situation. He was evidently worried because China was not specifically mentioned in all the discussion with regard to the conference between The President and the British Prime Minister. He seemed to feel that China is being forgotten for the moment. I told him of course that China is and will remain a pivotal point in the war, and that although not specifically mentioned in regard to the conference, the situation in the Far East, including China, was undoubtedly carefully considered.

2. General Chu then pointed out that much has recently been said about halting Japanese aggression both to the south and to the north, but nothing specific on stopping Japanese aggression in China proper. He went on to point out the possibility of Japan concentrating all of her efforts on crushing Chinese resistance

if she considers herself stopped by the Anglo-American front from further aggression to the south and to the north. He said, rather pointedly, "You know we cannot hold out indefinitely." I pointed out to him that the present emphasis on aid to Russia was probably due to Anglo-American belief that the Russian crisis was an immediate one, a question of holding her in the war for the next six weeks, until winter comes to her relief. Chinese resistance on the other hand would not appear to present so pressing a time factor, considering the long period of four years in which they have successfully withstood Japanese pressure. General Chu admitted this, and in answer to my questions as to the duration of Chinese resistance he said that undoubtedly the situation would hold throughout this calendar year. I pointed out to him that Japanese's present extension of her forces both in the north and in the south precluded the possibility of her concentrating her efforts against the Chinese at this time. He admitted this, but stated that he believed Japan must continue her aggressive policy, and that it was possible for her to regroup her forces against China if she were barred from the north and the south. He said that he feared that the Anglo-American policy of holding Japan in the north and the south might force her into a last desperate effort to overcome Chinese resistance. In his opinion Japan cannot stop, and in all questions of major policy the Japanese Government must bow to the decision of its military forces. He cited the Chinese proverb, "He who rides on the tiger must go where the tiger goes."

3. General Chu professed to have little information on the Russian situation, but said that what he had was encouraging. He thought the outstanding thing was that Russia had successfully taken the first shock of war. He remarked that the first few months of the Sino-Japanese war were by far the hardest, and after that the Chinese had settled down to a long resistance.

4. General Chu's visit undoubtedly indicates what we have had from other sources—that the Chinese here, and presumably also in Chungking, fear that they are being left out of the big picture, that we may not be firm in our present stand vis-a-vis Japan, and that aid to China may become more difficult in the future.

5. This Division believes that considerable morale aid might be given to China in the form of public statements emanating from high officials of the Government on our deep interest in Chinese resistance and our policy of aiding it. An official announcement of the forthcoming dispatch of a military mission to China is suggested. It is realized however that such morale aid would have to be considered in the light of its effect on the critical relations now existing between Japan and the United States.

/s/ Sherman Miles

SHERMAN MILES

Brigadier General, U. S. Army

Acting Assistant Chief of Staff, G-2.

Copies to:

Secretary of War
Assistant Secretary of War
Chief of Staff
War Plans Division

ONI
Mr. Currie
General Magruder

SEPTEMBER 2, 1941.

Memorandum for the Chief of Staff:

Subject: Conversation between the Japanese Military Attache and the Chief, Far Eastern Section.

1. Coincident with the Japanese Ambassador's call on the President on the morning of August 28, 1941. Major General Saburo Isoda, Japanese Military Attache, called by appointment on Colonel R. S. Bratton, Chief of the Far Eastern Section, Intelligence Branch, this Division. The following are notes of Colonel Bratton on the visit:

"I have known General Isoda and been associated with him under various circumstances for eighteen years. In consequence, our conversation was friendly, informal and entirely 'off the record.'

"General Isoda stated that, like the Ambassador, he was exploring ways and means to relieve Japanese-United States tension and bring about better relations

between the two countries. During the course of a conversation which lasted for an hour and a half, General Isoda made statements to the following effect:

a. Due to restrictions imposed by our export control, the Japanese have begun to use a portion of their war reserve of petroleum.

b. He, the Naval Attache, the Ambassador and the entire Embassy Staff are in accord in an earnest desire to better United States-Japanese relations.

c. Japan made a great mistake in joining the Axis.

d. The Army frequently gets out from under control of the Civilian Government and has to be restrained by Imperial Command.

e. Japan has her back to the wall. She can be pushed just so far, then will have to fight us to save her national honor and integrity, though war with the United States is the last thing desired by Japan.

"When asked flatly my opinion as to what assurances on the part of Japan would be acceptable to the United States Government at this time, I told him that Prince Konoye, if he comes to talk with the President, must come with Imperial sanction and armed with authority to speak for and on behalf of the armed forces of Japan as well as on behalf of the Civilian Government. I said that, in my opinion, nothing short of this would be productive of lasting results or be acceptable to the President.

"General Isoda received this statement of opinion on my part with entire good will, expressed his pleasure over the opportunity of having a frank talk, and stated his desire to have other and more frequent talks in the future. I, in turn, assured him that I would be glad to meet him in a private and unofficial capacity at any time."

2. General Isoda's visit clearly parallels the conversations now in progress between the Japanese Ambassador and the State Department. In effect he speaks for the Japanese Embassy, the entire staff of which is sincerely working for the betterment of Japanese-American relations. He obviously did not feel empowered to speak for the Japanese Army.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2

Distribution:

Secretary of War
Chief of Staff
War Plans Division
Office of Naval Intelligence

I. B. 122

SEPTEMBER 5, 1941.

Memorandum for the Chief of Staff:

Subject: Brief Periodic Estimate of the World Situation.

1. This estimate covers the period September 3-December 1, 1941.

2. In this period the dominating elements of the situation will be:

a. The preoccupation of Germany with the U. S. S. R.

b. The inability of Great Britain and her associates to take the strategic offensive.

In consequence a militarily decisive phase of the war will not be reached.

3. Axis:

a. Germany (see Tab A) will be immersed in the conflict with the U. S. S. R., either in terms of combat or of large-scale military reorganization. Victories over the U. S. S. R. may tend to raise her national morale; but on balance her morale should be lower, because of losses in Russia and because of the certainty of prolongation of the war. Economically she will continue strained but stable.

Specifically:

(1) She will be unable to invade the British Isles.

(2) She will be unable to attack in the Middle East. (See Tab B).

(3) She is and will be able at will to occupy French Northwest Africa, but probably will not do so. (See Tab C).

(4) She probably will be in a position to intensify her warfare against shipping as compared with its present reduced level. (See Tab A).

(5) The policy of the United States, backed by growing armaments, particularly in terms of sea and air power, will be an increasing factor in her calculations.

b. Subsidiary European Members of the Axis.—Their subservience to Germany will increase and their influence in world affairs will continue to diminish. Italy

in particular will garrison the Balkans and provide Axis communications with Libya. (For Spain, see Tab C.)

c. *The Conquered and Occupied Countries of Europe* may develop still greater unrest; but this element in the total situation will, for the time being, remain of little net influence on the general situation.

d. *Japan* (see Tab D), beset with uncertainties, may do nothing, may attack the Maritime Provinces, may seek to expand to the Southwest; it is even possible that she may withdraw from the Axis. Japan also has the capability of concentrating her newly augmented forces against China and seeking a decision there. No indication or likelihood of this is seen. In the general picture and excluding China, where she must continue to fight, her most likely, but by no means certain, course is inaction.

4. *Turkey*, the most practicable land corridor between Europe and the Middle East, will find her position increasingly precarious; but in this period she probably will evade choice of definite alignment with either the Axis or the Anglo-Russian bloc.

5. *Anti-Axis:*

a. *U. S. S. R.* (see Tab E), with limited and decreasing ability to pass to the offensive, faced with the loss or dislocation of most of her war industry and with inadequate communications to the outside world, is destined to continued military reverses, while exacting a significant toll from the German armed forces. Her only hope is to bring about German overextension and exhaustion. Destruction of her armed forces and overthrow of the Stalin regime within this period are possible but not yet probable. (See also TAB A for Russia vs. Germany and Tab D for Russia vs. Japan.)

b. *Great Britain* has a continued respite to perfect her home defenses, build up her air force, consolidate her Middle Eastern and Far Eastern positions, and to a limited degree improve the defense of the Atlantic sea lanes. She will have neither the ability nor the opportunity to take the strategic offensive, other than by limited air attacks on Germany's European position. She has the opportunity to launch a limited offensive against Libya. (See Tab B.)

6. *Latin America* is momentarily less concerned with the war, since its center of gravity has shifted to Eastern Europe. The Axis powers, on the whole, are losing ground before Democratic pressure, political, psychological and economic.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

5 Enclosures: Tabs A to E Inclusive.

Distribution:

The President
Secretary of War
Secretary of State
Assistant Secretary of War
Coordinator of Information
Chief of Staff
Assistant Chief of Staff, W. P. D.
Director of Naval Intelligence
G. H. Q.
Major General Embick.
Under Secretary of War

1. Tab A—GERMANY—omitted
2. Tab B—British situation in the Middle East—omitted
3. Tab C—A German drive to the Southwest—omitted
4. Tab. D.

JAPAN

1. *Lines of Action Open to Japan*

Japan has the following alternatives:

- a. Continue to withdraw her armed forces from the area south of the Great Wall with a view to attacking Siberia.
- b. Make peace with Chiang Kai-shek.
- c. Disregard American action and opinion and occupy Thailand.
- d. Attack Burma and the Burma Road via Thailand.

- e. Take or isolate the Philippine Islands and Hongkong and attack Singapore.
- f. Contain or isolate the Philippine Islands and Hongkong and seize the Netherlands East Indies.
- g. Reorient their whole foreign policy by withdrawing from the Axis.
- h. Seek a general settlement through American mediation.
- i. Bide their time, wait for a better opportunity for the pursuance of any of the above lines of action, hoping that time will be in their favor.
- j. On the basis of the neutrality pact with Russia as a "face saver", enter into an understanding with the United States and Great Britain in regard to territorial expansion and economic penetration in southeast Asia and the southwestern Pacific area.

2. *Most Probable Action*

Japan, beset with uncertainties, will probably "buy" time by entering into negotiations with the United States. A cabinet upset in Japan, a not unlikely event, will change the whole picture. The present cabinet, however, will initiate no additional aggression on the part of Japan until all diplomatic means of relieving pressure have been explored and exhausted. This does not preclude independent action on the part of Japan's armies in the field.

3. *Japan—Combat*

Japan has an active army of about 2,000,000 including an air force of 55,000 and a trained and partially trained reserve of 3,500,000 men.

The active forces are deployed over a wide area from Karafuto and Manchoukuo in the north to the Southern French Indo-China—Thailand border in the south. The estimated number of active divisions or their equivalent is 68, plus 15 depot divisions in Japan Proper. Japan has recently mobilized approximately 500,000 reserves which have been utilized as replacements and in forming new units included in the above estimate.

Japan has been withdrawing a considerable number of her troops from China and despatching them to Indo-China and Manchuria. Some of these have been replaced by Manchurian and Wang Ching-wei's puppet troops. Since the outbreak of the Russo-German war, the forces in Manchoukuo have been increased from 8 to 19 divisions with auxiliary troops including 4 tank regiments and 4 cavalry brigades, totalling about 500,000 officers and men. The Japanese army is well trained and an efficient fighting force. Officers are well qualified to perform their various duties in peace and war. The staff has functioned well during difficult tactical operations in China. The enlisted men, although somewhat lacking in initiative, are well trained, experienced in combat, well disciplined, courageous and aggressive to the point of recklessness. The Japanese have been consistently successful in China from a tactical point of view and only combat with a modern army can determine Japan's relative efficiency compared to modern occidental armies. Japan's army is physically hardy and psychologically inspired by loyalty to the Emperor, devotion to duty and a fanatical patriotism which make it a dangerous foe on the Asian continent or nearby islands.

The Japanese Army and Navy air forces have made rapid progress since 1937. Personnel strength of Army and Navy air forces is 55,000 officers and men and the two services have a combined plane strength of approximately 3,743 combat planes. The Army squadrons number 114 and the Navy has 124 squadrons. Plane design has lagged, but lack of formidable opposition has left them undisputed air superiority. Four years of continuous air operations have increased the efficiency of Japanese aviation in no small degree. Recent acquisition of German planes and technical advisors has contributed to Japanese air proficiency.

The Japanese Army is the best equipped army in Asia. Its equipment, however, is inferior to that of any of the modern European armies. The shortage of raw materials and production capacity will limit the number of new divisions which can be organized, even though Japan's partially trained manpower is ample for her anticipated needs. Personal equipment appears to be sufficient and in good condition but there is a shortage of organizational equipment such as tanks, and other mechanized equipment, antiaircraft weapons and modern artillery.

Japan has a navy consisting of approximately 180,000 men and officers exclusive of about 20,000 in the naval air corps. Naval strength comprises over a million tons already built and nearly 500,000 tons building. The navy is divided into two main divisions: the Combined Fleet and the Japanese Naval Forces in China. The latter consists of the North Central and South China Fleets. The Combined Fleet is based in home waters.

The Japanese naval personnel is well trained—a training equal to that of the British and American navies. The Japanese navy is modern, well balanced, and ready for prompt service. It is relatively strong in aircraft carriers and tenders; it would be a formidable opponent to the navy of any power or those of any combination of powers attempting offensive operations in the western Pacific area.

Japan, because of her geographic location blocks all sea approaches, north of Haiphong, to the southeastern coast of Asia; flanks all routes from the east to the eastern and northeastern coast of the mainland; and is in a remarkably strong strategical position for defense against any distant naval power. Furthermore her geographic position is such that her navy, on the strategical defensive, could from time to time successfully assume the tactical offensive.

4. *Japan—Political*

The political cauldron of Japan has been boiling furiously since Matsuoka was relieved as Foreign Minister. During the time that Matsuoka was Foreign Minister and under the leadership of Premier Prince Konoye, Japan set up its own version of totalitarianism last fall called the "new national structure". Political parties were disbanded and the Imperial Rule Assistance Association, designed to unite all the people in assistance to the Throne, was hastily whipped into shape. The Association was not a political organization like those controlling Italy, Germany, and Russia because of the Japanese theory of the Emperor as the supreme head of the state to whom all Japanese yield obedience and service. The vaguely stated aims of the Association were too diffused to meet with general approval; as conditions are at present, it is clear that the "new structure", movement—so far as its basic purpose was concerned—has entirely miscarried. In its major tests, provided by the efforts to regiment industry and "reform" the Diet, it merely stirred up severe controversies. The original hope that the Imperial Rule Assistance Association could "unify all phases" of Japan's national life has long since disappeared.

While the outward totalitarian structure has weakened, the domination exercised by the army clique for nearly a decade continues. Practically every phase of life in Japan has been placed under governmental control.

The whole political machinery is geared to preparation for expansion into the maritime provinces of Siberia, for further expansion in southeast Asia and the southwestern Pacific and to the solution of the China "Incident." Without their previous enthusiasm and behind uncertain leadership, the Japanese are continuing in the path to what they believe is their "divinely appointed destiny" without being too sure as to where that "destiny" will take them. As a matter of fact, there are indications that the people of Japan are becoming more and more alarmed and apprehensive; they fear that the present course will take them into a major war. There is increasing dissatisfaction with the secretive nature of governmental policy. If Japan goes to war with a major power, her people will enter it desperately rather than confidently.

In September, 1940, Japan concluded a Tripartite Pact of Co-operation with Germany and Italy which by implication requires Japan to attack the United States (or any other power except Russia, not involved in the European War at that time) should it attack either of the Axis partners. Although Foreign Minister Toyoda, Matsuoka's successor, has said that there is no change in the foreign policy of Japan, and that Japan will adhere to the Axis Alliance, there are indications that Toyoda's sincerity in making such a statement is entirely different from that of Matsuoka. In other words, the advantages and value of the Tripartite Agreement are at present being very seriously questioned. But Germany, through her representatives in Japan, is doing everything within her power to keep Japan "in line." Thus Japan is most anxious to confer with the United States, "looking toward a peaceful settlement of all outstanding issues between the two countries," which means recognizing Japan's territorial and economic gains in Eastern Asia. The chief obstacle is that even if a conference were convened by the two governments, there could be no guarantee of the results of such a conference unless the Japanese Army and Navy were directly represented. Although a request for such representation would be unprecedented, G-2 is of the opinion that unless such representation is obtained, a conference at this time would be without lasting results.

Japan has boundless ambition in East Asia, but she finds herself in a poor strategic position to take advantage of the opportunities the present time affords. Japanese leaders are aware of the perils of further military commitments before the stalemate in China is broken. One of the factions in Japan favors making

a final effort to persuade Chiang Kai-shek to conclude a peace as soon as possible; another faction favors fighting the issue to a conclusion. The stalemate is about as far from decision as it has been.

In the maelstrom of Japanese indecision, one thing stands out clearly—that is, that the Japanese do not want the United States to become involved in the war, but they want the United States to stay out of the war primarily to enable Japan to retain a free hand in advancing the Co-Prosperity Sphere in Asia.

Another fact which is almost as clear is that Admiral Toyoda is a stop-gap Foreign Minister, appointed temporarily with the idea of making a more permanent appointment when Japanese policy could be more coherent and concrete.

5. *Japan—Economic*

Because of the ever-increasing stringency of the embargo placed on Japan by the United States, Great Britain and the Netherlands East Indies, the economic situation in Japan is slowly but surely becoming worse. The Japanese have always lacked war materials, adequate foreign exchange and sufficient foreign trade; the embargo has served to increase the deficiencies in these categories. These deficiencies are serious but are not likely to become dangerous before December 1, 1941. The fact that Japan is also encumbered with financial problems connected with the "incident" in China prevents any curative steps being taken.

The technical assistance which the Germans have been giving to Japan over a period of six months is no longer as welcome as it was before Germany's attack on Russia. That attack has precluded the possibilities of Japan's receiving machinery and implements of war from Germany. As a matter of fact, the Japanese are beginning to question whether the Tripartite Agreement has not brought far greater economic disadvantages than advantage to Japan in carrying out her plans for a "Co-Prosperity Sphere" in Asia. The Pro-Axis leaders are finding great difficulty in justifying the alliance with Germany.

The "Co-Prosperity Sphere" is anything but prosperous. Because of the difficulties of labor shortage, lack of sufficient transportation facilities and lack of cooperation among the people who have been brought into the "sphere" by force or persuasion, the "sphere" is about to fall apart.

The action of the Netherlands East Indies in joining with the United States and Great Britain in embargoing goods to Japan was undoubtedly a severe blow, both economically and in prestige. The economic competition going on behind the scenes in Thailand, between Japan on the one hand, and Great Britain and China on the other, will be increasingly significant. Recent information, however, indicates that Japanese banking interests are asking for a new loan of 25,000,000 Bahts from Thailand bankers, (supplementing a loan of \$3,750,000 actually made to Japan early in August in order to pay for commodities purchased by Japan in Thailand). The influence of the Chinese, the traditional financiers of Siam, cannot be overlooked here.

The processes of economic warfare are so slow that, even if the status quo ante were to be established in China by way of settlement of the Sino-Japanese conflict, Japanese economic predominance in the East Asiatic area would still be so firmly established that several months would have to pass before the effects of the economic embargo would in itself influence Japanese action in the Far East.

The effects of the embargo will compel Japan to strive to obtain more assistance in East Asia as well as to try to persuade Great Britain, the United States and the Netherlands East Indies through threats and promises to soften the impact their embargo has caused. Japan obviously does not want to go to war with the United States to achieve her economic objectives, but at the same time she feels that the achievement of these objectives is an essential part of her foreign policy.

The fact remains that Japan lacks essential raw materials to support either her manufacturing industries or a major war effort. To procure them she must have foreign exchange; in order to obtain foreign exchange, she must have foreign trade, which, at present, is seriously curtailed. The stoppage of trade is reducing Japan's raw materials drastically—raw materials which are vital to the organic well-being of Japan and to her ability to wage war successfully. No other country even approaches the United States in importance to Japan's economic welfare, both as a source of raw materials and as a market for the exports of Japan. Thus through the advantage the United States has gained through the embargo, Japan finds herself in a very poor bargaining position.

I. B. 124

September 11, 1941.

Memorandum for the Chief of Staff:
Subject: Political Developments in Japan.

1. A United Press dispatch from Tokyo dated September 11, 1941, gives the following information:

"Emperor Hirohito today took direct command of Japanese Army Headquarters and moved to assure close Army collaboration with Premier Fumimaro Konoye's Government, which appeared to be trying to keep Japan out of war even if that meant drifting away from her Axis ties."

2. Major developments are reported as follows:

a. Establishment of a new Defense General Headquarters under General Otozo Yamada. Yamada is personally responsible to the Emperor and becomes virtual Generalissimo of the Army superseding previous emphasis on General Staff control.

b. Appointment of Fumio Goto, former Home Minister, as chairman of the Central Cooperative Council of the Imperial Rule Assistance Association, replacing Admiral Suetsugu.

c. Entertainment of the Cabinet at luncheon by the Emperor, "in appreciation of its outstanding services to the State."

3. A proper evaluation of this news is impracticable at this early date but a definite trend seems indicated—a trend away from the Axis and toward better relations with the United States and Great Britain. The new system is interpreted as an effort to strengthen the civilian government, check militaristic domination of Imperial Policy, and erect a barrier to possible dissatisfaction among the militarists with the future course of events.

4. General Yamada is a conservative, of great energy and ability. It is reported that he stands high in the Emperor's favor. Goto is likewise a conservative and replaces one of Japan's worst jingoists. The action of the Emperor in taking direct command of the Army and his giving prestige to the Cabinet by inviting it to luncheon, and publicly thanking it is unprecedented.

5. Barring a massacre of the conservatives by the militarists, an event deemed unlikely in view of the Emperor's action, it is probable that Japan will find a peaceful way out of one of the greatest crises in her history and seek a means to realign her foreign policy in an anti-Axis direction.

(signed) SHERMAN MILES,
SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

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[Note by General Miles:] Original copy given to Gen. Watson for the President.
(signed) S. M.

September 17, 1941

Memorandum for the Assistant Chief of Staff, W. P. D.:

Subject: Combat Estimate, Japan. (With map showing disposition armed forces.)

In compliance with verbal request, this date, from the Assistant Chief of Staff, W. P. D., there is attached hereto (Tab A) a brief Combat Estimate on Japan, with a map showing the disposition of Japan's armed forces and the Asiatic area at present occupied by the Japanese.

SHERMAN MILES,
Brigadier General, U. S. Army.
Acting Assistant Chief of Staff, G-2.

Incls.—2
Tab A
Map¹

¹ Omitted.

TAB A—COMBAT ESTIMATE, JAPAN

Japan has an active army of about 2,000,000, including an air force of 55,000, and a trained and partly trained reserve of 3,500,000 men.

The active forces are deployed over a wide area from Karafuto and Manchoukuo in the north to the Southern French Indo-China-Thailand border in the south. The estimated number of active divisions or their equivalent is 68, plus 15 depot divisions in Japan Proper. Japan has recently mobilized approximately 500,000 reserves which have been utilized as replacements and in forming new units included in the above estimate.

Japan has been withdrawing a considerable number of her troops from China and despatching them to Indo-China and Manchuria. Some of these have been replaced by Manchurian and Wang Ching-wei's puppet troops. Since the outbreak of the Russo-German war, the forces in Manchoukuo have been increased from 8 to 21 divisions with auxiliary troops including 4 tank regiments and 4 cavalry brigades, totalling about 500,000 officers and men. The Japanese army is well trained and an efficient fighting force. Officers are well qualified to perform their various duties in peace and war. The staff has functioned well during difficult tactical operations in China. The enlisted men, although somewhat lacking in initiative, are well trained, experienced in combat, well disciplined, courageous and aggressive to the point of recklessness. The Japanese have been consistently successful in China from a tactical point of view and only combat with a modern army can determine Japan's relative efficiency compared to occidental modern armies. Japan's army is physically hardy and psychologically inspired by loyalty to the Emperor, devotion to duty and a fanatical patriotism which make it a dangerous foe on the Asian continent or nearby islands.

The Japanese Army and Navy air forces have made rapid progress since 1937. Personnel strength of Army and Navy is 55,000 officers and men and the two services have a combined plane strength of approximately 3,743 combat planes. The Army squadrons number 114 and the Navy has 124 squadrons. Plane design has lagged, but lack of formidable opposition has left them undisputed air superiority. Four years of continuous air operations have increased the efficiency of Japanese aviation no small degree. Recent acquisition of German planes and technical advisors has contributed to Japanese air proficiency.

The Japanese Army is the best equipped army in Asia. Its equipment, however, is inferior to that of any of the modern European armies. Shortage of raw materials and production capacity will limit the number of new divisions which can be organized, even though Japan's partially trained manpower is ample for her anticipated needs. Personal equipment appears to be sufficient and in good condition but there is a shortage of organization equipment such as tanks, and other mechanized equipment, antiaircraft weapons and modern artillery.

[2] Japan has a navy consisting of approximately 180,000 men and officers exclusive of about 20,000 in the naval air corps. The naval vessels have over a million tons already built and nearly 500,000 tons in the process of building. The navy is divided into two main divisions: The Combined Fleet and the Japanese Naval Forces in China. The latter consists of the North Central and South China Fleets. The Combined Fleet is based in home waters.

The Japanese naval personnel is well trained—equal to that of the British and American navies. The Japanese navy is modern, well balanced, and ready for prompt service. It is relatively strong in aircraft carriers and tenders; it would be a formidable opponent to the navy of any power or those of any combination of powers attempting offensive operations in the western Pacific area.

Japan, because of her geographic location blocks all sea approaches, north of Saigon, to the southeastern coast of Asia; flanks all routes from the east to the eastern and northeastern coast of the mainland; and is in a remarkably strong strategical position for defense against any distant naval power. Furthermore her geographic position is such that her navy, on the strategical defensive, could from time to time successfully assume the tactical offensive.

SEPTEMBER 18, 1941.

Memorandum for the Assistant Chief of Staff, W. P. D.
Subject. Strategic Estimate of the Situation.

1. The following data are furnished in response to your memorandum, above subject, WPD 4994, September 17, 1941. The succeeding paragraphs are numbered according to the questions propounded therein.

"1. Do you see any beneficial effect of America's war effort with respect to Great Britain maintaining her control over Singapore?"

America's defense effort, in terms of political, military, and economic pressure, has already contributed materially toward curbing Japan's advance to the southwest. This restraint on Japan tends to become stronger as time passes by.

"2. If Great Britain were driven out of the Mediterranean and Middle East Area, could she retain control in a remunerative sense in India and Malaysia? What are the capabilities of Japan with respect to this situation?"

Yes, provided the Trans-Pacific sea lanes are secured. In such an event Japan would be sorely tempted to attack to the southwest. Such an attack could be blocked only by the use of large U. S. Naval forces and considerable U. S. ground and air forces.

"3. If the Russian military forces were defeated in European Russia, would the Maritime and Siberian Areas continue to resist? What would their capabilities be in the premises?"

Yes, but on the basis of a purely passive defense. Resistance could be organized more effectively in eastern than in western Siberia. The degree of resistance would depend in large measure on material assistance from the United States and Japan's position in the then developing situation. The amounts of material furnished by us would be conditioned by the shipping situation, the means of land transport available on the Asiatic mainland and by the attitude of Japan.

[2] "4. What would the effect be of a successful German drive to the southwest including the north and northwest African Areas?"

Such a move would have two major disadvantages for Germany: military overextension and an increased economic problem with reference to Spain and Portugal. It would give her the following major advantages: consolidation of western Europe and north Africa; increased opportunity for naval raiding by ships and aircraft based on northwest Africa; opportunity to extend her influence in Latin American and perhaps to infiltrate there physically. Such action by Germany would necessitate the prompt occupation of the Natal area, Brazil, by the United States and the prompt occupation of the Azores and the Cape Verde Islands by the Democracies.

"5. What would the effect be on the situation if the Germans make a successful drive southeastward through Turkey, Iran and against the Suez Area?"

Such an event would entail disastrous British losses and a profound shock to British morale. It would throw the British back against India and Kenya. It would require the reorganization and protection of sea communications between India, Malaysia, Australasia and the Democracies. (See 2 above).

SHERMAN MILES,

*Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.*

I. B. 131

SEPTEMBER 23, 1941.

Memorandum for the Chief of Staff:
Subject: Crisis in Japan.

1. This Division has information from a highly reliable source to the effect that the Japanese Cabinet is confronted with a highly critical and explosive situation. The Emperor's recent gesture in support of the Cabinet notwithstanding, certain pressure groups in Japan are making threatening gestures toward the Premier.

2. The point at issue is whether or not the Japanese Government is to encourage, authorize or permit a nationwide celebration on the anniversary of the signing of the Tripartite Agreement. Genuine Government anxiety over this point is obviously being used as a red herring in the road to national objectives in the hope that the United States Government can be rushed into making concessions designed to strengthen the authority of the present Japanese Cabinet. This on the theory that if the current Japanese Cabinet falls there will be no one left in Japan with whom we can deal satisfactorily.

3. Attention is invited to the fact that in all of her recent proposals and counter-proposals Japan has carefully avoided giving any definite assurance that she will not attack Russia.

4. The present agitation, therefore, on the part of Japan to extract an immediate agreement from the United States to some or all of her proposals for a "conference of leaders" may be motivated by a desire to cover preparations for an all out attack on Siberia timed with the expected Russian collapse in Europe.

5. A lessening of pressure at this time would be considered as appeasement by the Japanese and would be highly detrimental to the advantage that the United States has gained by the policy initiated when Japanese funds in this country were frozen and reaffirmed when a strict embargo was placed on oil going to Japan.

[2] 6. The celebration of the signing of the Tripartite Agreement by the Japanese on September 27, and the extent of that celebration is a matter entirely within the control and jurisdiction of the present Japanese Government. The United States can and should judge only by the acts and not by the words of that Government.

7. This Division still believes, as stated in I. B. 112, dated August 16, 1941, that forceful diplomacy vis-a-vis Japan, including the application of ever increasing military and economic pressure on our part offers the best chance of gaining time, the best possibility of preventing the spread of hostilities in the Pacific Area, and also the hope of the eventual disruption of the Tripartite Pact. The exercise of increasingly strong "power diplomacy" by the United States is clearly indicated.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

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I. B. 135

OCTOBER 2, 1941.

Memorandum for the Chief of Staff:
Subject: Japanese-American Relations.

1. The crisis in Tokyo brought about by the anniversary of the Tripartite Agreement has been weathered by the Konoye Cabinet through a somewhat perfunctory celebration involving speeches by the German and Italian Ambassadors, Prince Konoye, and others, at luncheons given in honor of the Axis on September 27, 1941.

2. This Division has information from a highly reliable source to the effect that at 4:30 p. m. on September 27th after completing the ceremonies celebrating the anniversary of the Tripartite Pact the Japanese Foreign Minister asked the American Ambassador to call on him, and urged him to strongly recommend to his home government an immediate meeting between Prince Konoye and President Roosevelt.

3. The Japanese Ambassador in Washington was advised as to the gist of Admiral Toyoda's conversation with Ambassador Grew. Admiral Nomura also was urged by his Foreign Minister to do everything in his power to prevail upon the President to meet and confer immediately with Prince Konoye.

4. The fervor with which the Japanese, over a period of many months, have been agitating for this "meeting of leaders" has been matched only by their reluctance to make commitments on two points, i. e. withdrawal from China, and preparation for an attack on Siberia.

5. This Division is of the belief that the present Cabinet in Tokyo does not yet feel strong enough to enforce any order for withdrawal of Japanese troops from China, even though under pressure from the United States, it might be inclined to do so. And, as a matter of fact, at this stage in the execution of our national strategic plan, a cessation of hostilities in China followed by the withdrawal of twenty-one Japanese divisions, 20 independent brigades, and 1,000 aircraft therefrom would be highly detrimental to our interests. Such a force if returned to Japan would be potentially of such an explosive nature that only a military oligarchy could control it. These militarists would submerge or destroy the moderate element in Japan replacing it with a restless Chauvinistic element possessing neither the ability nor the inclination to continue diplomatic relations with any of the Democratic Powers.

If the Japanese force in China were transferred to Indo China or Manchoukuo it would undoubtedly overflow into adjacent regions and our interests would be even further jeopardized.

It seems evident that the Konoye Government lacks confidence enough to make any promises in regard to restraining the Kwantung Army, even at its present strength, from launching an attack on Siberia. With its forces augmented by all or a part of the troops now in China, the home government would be helpless, for the Kwantung Army since 1932 has been completely independent of the various cabinets appointed in Tokyo and, reinforced by elements from China, would undoubtedly attack when it felt assured that such action was opportune. The opportune moment will be coincident with or immediately following a Russian collapse in Europe, or if and when the Russian force becomes numerically inferior because of withdrawals from Siberia to reinforce the European Armies.

6. From the foregoing it seems imperative, for the present at least, to keep as much of the Japanese Army as possible pinned down in China. In other words we must cease at once our attempts to bring about the withdrawal of Japanese armed forces from China and must give to China whatever aid is possible on our part in sustaining the Chinese power and will to continue to contain and occupy the bulk of the Japanese Army.

7. The initial feeling of revulsion over this apparent utilization of China as a cat's paw in our plan of strategy will be alleviated by an examination of the situation of the anti-Axis powers in the light of cold reason. Our objective is the destruction of Nazilism, and all out aid to those powers actively engaged in resisting its aggressive drive for world domination. Russia is, as a matter of expedience, an ally in this cause. We must, among other things, do what we can with what we have at our disposal to aid Russia in her struggle with Germany. Any action on our part, therefore, which would liberate Japanese (pro-Axis) forces for action against Russia's rear in Siberia would be foolhardy.

8. The eagerness on the part of the Japanese Foreign Minister for a "meeting of leaders" is probably based on a strong desire to strengthen the position of the cabinet with respect to the internal situation in Japan. Such a conference would: (1) Strengthen Prince Konoye's position with his people, (2) Extend the tenure of the present cabinet at least through the sessions of the conference. (3) Increase the belief of all Japanese leaders that we would not meet with them unless willing to make concessions. In other words, a conference to them will mean concessions on our part. If the President of the United States can be persuaded to loosen the economic restrictions now in force against Japan, Prince Konoye can then go before the Japanese people with a fait accompli such as no other man has been able to produce in the last decade. Economic concession, it must be observed, is the one essential which the Japanese military leaders recognize as necessary to be obtained before another major war can be fought. Once the conference is convened the Japanese will be in a strong position to demand some economic concessions, pleading the certainty of the collapse of the Konoye government if he goes home empty-handed.

9. From the point of view of the United States, a conference of leaders at this time, might serve to give this country additional time in which to prepare more adequately for any eventuality. Definite understanding, however, should be established, prior to such a conference, with Great Britain, Russia, China, Thailand and the Netherlands East Indies. Through cooperative and unified action with the powers named, we have obtained the economic advantages we now hold. It is the opinion of this Division that these advantages should, under no circumstances, be sacrificed unless concessions can be gained from Japan which will benefit all the non-Axis countries of the Pacific area; otherwise the very objective this country has sought so long to attain, that of unified anti-Axis strength in the Pacific, will be lost completely.

10. This Division is of the opinion that neither a conference of leaders nor economic concessions at this time would be of any material advantage to the United States unless a definite commitment to withdraw from the Axis were obtained from Japan prior to the conference. The immediate objective of the United States is to weaken Hitler in every way possible. A Japanese guarantee not to attack Russia in Siberia would free Russia, psychologically and militarily, for stronger opposition to Hitler. With this in mind, a definite condition precedent to such a proposed conference should be a complete withdrawal by Japan from the Axis and a guarantee, backed by substantial evidence of sincerity, not to attack Russia in Siberia.

11. Since it is highly improbable that this condition can be met by the Japanese Government at the present time our course lies straight before us. This Division

still believes that forceful diplomacy vis-a-vis Japan, including the application of ever increasing military and economic pressure on our part, offers the best chance of gaining time, the best possibility of preventing the spread of hostilities in the Pacific Area, and the best hope of the eventual disruption of the Tripartite Pact. The exercise of increasingly strong "power diplomacy" by the United States is still clearly indicated.

HAYES A. KRONER,
Colonel, General Staff,
Acting Assistant Chief of Staff, G-2.

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OCTOBER 16, 1941.

Memorandum for the Chief of Staff:

Subject: Fall of the Japanese Cabinet.

1. A United Press dispatch states that the three months old Konoye Cabinet resigned on October 16th under nationalistic pressure for termination of Japanese-American peace negotiations.

2. This resignation was the logical result of Foreign Minister Toyoda's failure to secure a relaxation of the economic pressure on Japan by the U. S. Government.

3. It is impossible to predict the next move on the part of Japan until the composition of the next cabinet is known. It is highly probable, however, that the trend will be toward the Axis, with the Army, rather than the Navy, exercising the controlling influence. This Army element will not be slow to take advantage of any weakening of the Siberian Army brought about by Russian reverses in Europe.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

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OCTOBER 17, 1941.

Memorandum for the Chief of Staff:

Subject: Japan's New Premier.

1. The United Press reports that Lieutenant General Hideki Tojo, War Minister in the late Konoye Cabinet, has been designated Premier and ordered to form a new Cabinet.

2. General Tojo was born in 1884, the son of a Samurai. He has held several high offices in the Army, notably that of Chief of Staff of the Kwantung Army, Vice Minister of War and Inspector General of Aviation.

3. He has been called the father of modern Japanese Army strategy and is known to be anti-foreign, with a particular dislike for the Russians, and an open admiration for German methods. He created a sensation in 1938 when, as Vice Minister of War, he predicted that Japan would have to fight Russia as well as China. He also warned that America would have to be watched. When the Axis Alliance was signed in September 1940 he said that the road Japan would follow had been "definitely decided" and there was no turning back. General

Tojo is regarded by his associates as a man of unshakable determination. He cites reverence and filial piety as the two most important attributes of a Japanese soldier. He has little patience for arguments or other other people's views.

4. Any cabinet selected by General Tojo may be expected to have Axis leanings, but will be otherwise anti-foreign and highly nationalistic.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

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Assistant Chief of Staff, W. P. D.	Director of Naval Intelligence.

OCTOBER 21, 1941.

Memorandum for the Chief of Staff:

Subject: Kwantung versus the Siberian Army.

I have prepared this copy of the above study for submission to the President. Inasmuch as it points out the desirability of certain action by the United States, it is requested that you decide whether or not it should go forward.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

I. B. 144

OCTOBER 21, 1941.

Memorandum for the Chief of Staff:

Subject: The Kwantung versus the Siberian Army (For Situation Map see Tab A.)

1. The best information available to this Division indicates the strengths of the Siberian forces east of Lake Baikal and the Japanese Kwantung Army in Manchoukuo to be approximately as indicated below:

	<i>Kwantung Army</i>	<i>Siberian Army</i>
Infantry-----	25 Divs. (450,000 men)	31 Divs. (540,000 men).
Cavalry-----	4 Brigs. (12,000 men)	10 Divs. (75,000 men).
R. R. Guards-----	36 Bns. (72,000 men)	
Tanks-----	7 Regts. (1,750 tanks)	10 Brigs. (1,600 tanks).
Air Corps-----	7 Regts. (500 planes)	10 Divs. (1,677 planes).
Army Troops and overhead--	150,000 men	25,000 men.
Total Man Power-----	684,000 men	682,000 men.

2. It is to be noted that the Siberian Army is relatively strong in cavalry and in planes at present. However, the Japanese inferiority in the air could be quickly altered by shifting from China (where Japan is practically unopposed in the air) the bulk of the Japanese air forces operating with the ground forces in that area.

3. Although the quality of the present leadership of the two opposing forces has not been tested, the consensus of opinion here is that the leadership in the Siberian and in the Japanese forces is the best in their respective armies.

4. In general, the materiel and equipment in neither force is comparable to the latest types in use by the German, British and American armies. Russian medium and heavy tanks are believed to be superior to similar equipment in the Kwantung Army.

5. Weather conditions during the fall and winter months give a slight advantage to the Siberian Army, inasmuch as the Japanese, as a people, have not had time to be come inured to the rigors of the extreme cold prevalent in Siberia during these months.

6. Neither the Siberian nor the Kwantung Army has a sufficient superiority over the other, at present, to warrant an offensive. This situation may change, however, in the near future if the Siberian force or any large part thereof is moved westward to strengthen the forces in European Russia. The Kwantung Army, on the other hand, has doubled in strength since July 1, 1941, and it is fairly certain that Japan will continue to strengthen this army with whatever men and equipment she can spare from China and Japan Proper.

7. If and when the Kwantung Army feels that it has a combat superiority over the Siberian army of 2 to 1 it is highly probable that it will take the offensive regardless of the policy and intentions of the Tokyo Government. When this ratio rises to 3 to 1 or better the probability will become a certainty.

8. This being true, it is very much to our interest, so long as Russia continues to offer active resistance to Germany, to take whatever steps may be possible to maintain the present Russian equality in combat strength vis-a-vis the Kwantung Army. Two such practicable steps immediately present themselves:

a. Increased aid to China, to enable the latter to continue to pin to the ground in North, Central and South China the bulk of the Japanese Army.

b. Increased aid to the Russian armies both in Europe and Siberia.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Enc.: Map.¹

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General Embick.

I. B. 148

NOVEMBER 1, 1941.

Memorandum for the Chief of Staff:

Subject: Possible Japanese Drive into Yunnan. (For map see Tab A).

1. Recent developments in the international situation, and particularly in the Pacific, indicate the possibility of a Japanese invasion of Yunnan Province in an attempt to cut China's life-line, the Burma Road.

2. Factors which indicate possibility of such a line of action by Japan:

a. The political and economic situation at home and pressure from the Axis demand action.

b. If she moved on Thailand, or elsewhere to the south, Japan runs grave risk of war with the ABD countries—an event which she wishes to avoid, at least for the present.

c. Japan's plan for conquest of Eastern Siberia would obviously best be served by a policy of watchful waiting until Russia is much weakened.

d. A drive from Indo-China into Yunnan would most probably not involve Japan with any third nation.

e. An offensive elsewhere in China could have no such decisive effect as the stoppage of supplies entering China over the Burma Road. This operation, if successful, might force capitulation of the Chinese.

3. Factors operating against such an offensive:

a. Japan is already extended in China where she has the equivalent of some 30 divisions spread so thinly that withdrawal of any troops for concentration elsewhere would seriously endanger her present lines. This was clearly shown in the recent operations at Changsha and Ichang.

b. Japan has perhaps 33 divisions in Manchuria and adjacent areas. To withdraw any considerable force from this region might cause her to "miss the bus" when her chance comes for invasion of Siberia.

c. Japan has the equivalent of some 3½ divisions in Indo-China as garrison troops and to secure the Thai borders. Continuance of the bulk of these troops on this duty is necessary.

d. Similar considerations apply to the concentration of the Japanese air forces.

e. Estimates of the initial force required for invasion of Yunnan, from various sources, British, Chinese, Russian and American, vary from 5 to 10 divisions, and all agree on the necessity of using strong air forces. Thus, a major effort would be necessary, including the use of many transports, supply ships, etc.

¹ Omitted.

f. If Japan became involved in a long campaign in southwest China, she would be seriously hampered in operations elsewhere.

4. Physical difficulties in the way of a Yunnan invasion are considerable, the most important being the terrain. The best corridor is that followed by the Yunnan meter-gauge railway from the border at Laokai to Kunming. This is a tortuous route along the sides of deep gorges, from an elevation of 305 feet at Laokai to 4,500 at Mengtze on the Yunnan plateau in a distance of 110 miles. (Airline, about 75 miles.) The dozens of bridges and tunnels have presumably been destroyed; the Chinese report that they have completely demolished the railway including the roadbed for a distance of 50 miles north of the border, and partially for an additional 15 miles. There is a trail about 30 miles west of and roughly parallel to the railroad, but there is no road south of Mengtze. Only two other corridors exist, according to the Chinese Minister of War: one, an old road parallel to and about 30 miles west of the railway; the other about 125 miles east of the railway. The same source says that lateral travel between these routes is impossible because of the ruggedness of the terrain, and that the Chinese have rendered impassable all three routes of approach. Possible use of the valleys of the larger river appears remote.

The Red River flows from the Tali Lake, just north of the Burma Road 250 miles west of Kunming, southeastward into Indo-China at Laokai. It is not navigable north of Laokai. There is a trail running northward along the river to a point 60 miles above Laokai, where it branches northeast to Mengtze. A footpath extends on up the river all way to Tali. The terrain is extremely rugged. From the scanty information available, the valleys of the Black and Makong Rivers would be even less accessible.

5. Chinese preparations against an invasion of Yunnan from Indo-China include the demolitions mentioned above. For some time, two group armies have been stationed in southeastern Yunnan. These are:

1st Group Army: 6th Army Corps of 2 divisions; 60th Army Corps of 3 divisions.

9th Group Army: 52d Army Corps of 3 divisions; 54th Army Corps of 2 divisions.

Plus 2 independent divisions. These are regular troops, but the bulk are Yunnanese, who have not previously demonstrated superior fighting qualities. The commander of the troops in this area is General Kuan Ling-shen who took part in the successful Changsha defense of 1939.

The Chinese lack artillery, are very short of ammunition, both artillery and small arms, and to all practical purposes are devoid of an air force.

The Chinese have lightly organized a position 20 to 40 miles in depth, with the main line of resistance along a generally east-west line about 50 miles north of Laokai. Their line of observation is along the border. Two other positions south of Kunming are being organized. The southernmost is about 30 miles south of Kunming.

6. It is estimated that at the present rate of Japanese reinforcement of their troops in Indo-China, a period of from one to three months will be required before they can have a sufficient concentration for an offensive against Yunnan.

7. The rate of Japanese advance on Kunming once the border is crossed, will depend on the degree of Chinese resistance, especially in their defense of the extremely rugged terrain between the Indo-China plain and the Yunnan plateau.

8. A Japanese offensive into Yunnan from Indo-China would be an extremely difficult operation but if it were successful in closing the supply route from Burma it would be a serious blow to China's power and will to resist.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Enc.:

Tab A.¹

Distribution:

The President
Secretary of War
Secretary of State
Under Secretary of War
Assistant Secretary of War
Assistant Secretary of War
for Air
Chief of Staff
Coordinator of Information

Chief of the Army Air Forces
Mr. Lauchlin Currie
Division of Defense Aid Reports
Director of Naval Intelligence
Assistant Chief of Staff, W. P. D.
G. H. Q.
Chief of the Air Corps
Air Corps
General Embick.

¹ Omitted.

NOVEMBER 2, 1941.

Memorandum for the Assistant Chief of Staff, W. P. D. :

Subject: G-2 Estimate, Far Eastern Situation. (For situation and communications maps see Tabs B, C, and D.)¹

In compliance with verbal request, Assistant Chief of Staff, W. P. D., this date, the following is submitted as a G-2 Estimate of the Far Eastern Situation:

1. After four years of war in China, Japan is militarily over-extended on the mainland of Asia, economically weak, and psychologically aware of the fact that her economic structure is crumbling.

2. For obvious reasons both Germany and China would like to embroil the United States in a large scale war with Japan. While Japan is reluctant to go to war with us, her political and economic situations demand action. She has the following alternatives:

a. Attack Siberia to neutralize the threat on her flank and rear.

b. Occupy Thailand as a base from which to launch an offensive against Burma or Malaya.

c. Contain or isolate the Philippine Islands and Hongkong and seize the Netherlands East Indies.

d. Launch a direct attack on Singapore.

e. Make a determined effort to bring the war in China to a close by cutting China's last supply route, the Burma Road.

f. Bide her time while disposing her forces from north to south in such a way that she will be able to seize the opportunity for successful aggression in whatever direction it presents itself.

3. A Japanese attack on Siberia is unlikely as long as Russian resistance in Europe continues, and as long as the Siberian forces are not materially reduced in strength. Action under *b* above might, and under *c* or *d* above would certainly bring Japan into armed conflict with ABD powers—a situation which Japan, at present, wishes to avoid.

4. A drive from Indo-China into Yunnan would probably not involve Japan with any Third Power. Although an extremely difficult operation for the Japanese, requiring elaborate preparation on their part, a successful drive into Yunnan and across the Burma Road, even if it did not cause China's early capitulation, would nevertheless, be a terrific blow at her chances of holding out. It would not however, have the effect of immediately releasing any considerable Japanese force for use elsewhere, since long-drawn out mopping up operations would probably be necessary.

5. Because of the ruggedness of the terrain in southern Yunnan, and the almost complete lack of communications, the Chinese, if determined, could put up a very strong resistance even with the means now at their disposal. Such a defense would further deplete Japan's meager resources and immobilize her remaining reserves. (For a description of the terrain see Tab A.)

6. Japan's most probable line of action, therefore, will be to continue her efforts to secure a relaxation of American economic pressure while completing her plans and arranging her forces for an advance in the direction which will be most fruitful of quick results.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

I. B. 148-1

NOVEMBER 13, 1941.

Memorandum for the Chief of Staff:

Subject: Possible Japanese Drive into Yunnan.

1. Reference is made to memorandum of this Division to the Chief of Staff, I. B. 148, November 1, 1941, subject: Possible Japanese Drive into Yunnan. In this memorandum emphasis was placed on the principal avenue of advance, Laokai-Kunming. Since its submission the question has been raised of the possibility of a Japanese advance against Kunming and the Burma road through Kwangsi Province, in conjunction with a penetration up the normal avenue of the Yunnan railroad, Laokai-Mengtze-Kunming.

¹ Omitted.

2. The axis of the route through Kwangsi is the course of the Yu river, 150 miles northeast of the Yunnan railroad and roughly parallel to it. (See Map, Tab A.) This river rises in the mountains of eastern Yunnan and flows through southwest Kwangsi Province to its confluence with the West River near Nanning. It is navigable for river junks as far west as Poseh. To make use of this corridor the Japanese would have to move north from Hanoi to Caobang, thence across the Chinese border to the vicinity of Poseh, whence they could launch their attack up the Yunnan escarpment toward Kwangnan on the plateau, 150 miles southeast of Kunming.

This would be an even more difficult operation than a direct attack along the Yunnan railway line, since the supply problem would be enormous. From Caobang a fair road for light motor traffic runs 185 miles north to Poseh. Most bridges on this route have a capacity of only 1½ tons. Also it is probable that since the Japanese occupation of Indo-China, the Chinese have destroyed the road near the border.

Poseh can also be reached by the Hanoi-Langson-Nanning road, and thence northwest via Wuming and the Yu valley. Somewhat better roads exist on this route but the distance from Langson to Poseh is about 260 miles, as compared with 185 from Caobang to Poseh. Here also, the Chinese have demolished the highways near the border, and also the railway line which was under construction before the Japanese occupation of Nanning in 1940.

Arrived at Poseh the Japanese would be confronted with practically the same difficult terrain conditions as at Laokai, on the frontier. Poseh has an elevation of 525 feet; Kwangnan, 4,515. The air distance between the two is approximately 100 miles, and there are no motor roads in existence. (The Chinese have been surveying a highway from Kaihua, east of Mengtze on the Yunnan railway, through Kwangnan to Poseh, but latest reports indicate no actual construction on this route.) The terrain is almost as rugged as that north of Laokai.

The only apparent reason for use of this route would be in the event that the Japanese plan of campaign called for a "pincers" movement on Kunming. However, it would not be a true envelopment as initially it would be directed against Chinese forces not allotted to the defense of Kunming. Absence of lateral communication inside China would be a serious handicap to such an operation, to say nothing of the long line of communications through a hostile territory.

3. a. For defense against a movement through Kwangsi Province, there are available in the Fourth War Zone (Kwangsi and western Kwangtung) the following troops:

16th Group Army: 31st Army Corps of 2 divisions; 46th Army Corps of 2 divisions.

35th Group Army: 64th Army Corps of 2 divisions.

These are regular troops, largely veterans from Kwangsi and adjacent areas, of excellent fighting ability. The Zone Commander is Chang Fa-kuei, a very capable officer of long experience.

b. The Chinese lack artillery, are very short of ammunition, both artillery and small arms, and to all practical purposes are devoid of an air force.

4. An attack on Kunming through Kwangsi Province is only conceivable in conjunction with an advance up the Yunnan railway. It is estimated that this would require at least an additional five Japanese divisions, or a minimum total task force of 10 divisions.

5. It is estimated that there are now available in Indo-China for an expedition against Kunming a maximum of 40,000 troops, probably less. At least 160,000 troops would have to be brought into Indo-China through Haiphong for a double envelopment, and at least 60,000 for a single direct attack. ONI estimates the capacity of this port at 2,000 fully equipped troops per day. On this basis, under the most favorable circumstances, at least one month would be required to concentrate a sufficient force for the direct attack up the Yunnan railway. Between two and three months would be required to make the concentration for a double attack up the railway and up the Yu river valley.

6. The rate of Japanese advance on Kunming once the border is crossed, would depend on the degree of Chinese resistance, especially in the defense of the extremely rugged terrain between the Indo-Chinese and Yu river plains and the Yunnan plateau.

7. A Japanese offensive into Yunnan from Indo-China would be an extremely difficult operation but if it were successful in closing the supply route from Burma it would be a serious blow to China's power and will to resist. In this connection it is interesting to note that the British War Office concludes that such an

offensive would be rendered "most difficult" by reason of the supply problem alone, while the French Military Attache at Tokyo ridicules any idea of an attack on Yunnan from Indo-China.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Enclosure:

Tab A.¹

Distribution:

THE PRESIDENT

Secretary of War

Secretary of State

Under Secretary of War

Assistant Secretary of War

Assistant Secretary of War for Air

Chief of Staff

Coordinator of Information

Chief of the Army Air Forces

Mr. Lauchlin Currie

Division of Defense Aid Reports

Director of Naval Intelligence

Assistant Chief of Staff, W. P. D.

G. H. Q.

Chief of the Air Corps

Air Corps

General Embick

NOVEMBER 25, 1941.

Memorandum for the Chief of Staff:

Subject: Far Eastern Situation.

1. The following are extracts from cables received in the Office of Naval Intelligence together with G-2 comment thereon:

a. *From Shanghai November 21.* Intense activity at Woosung since the 15th. Unusual number of ships present including former merchant craft 10,000 tons and up. Wednesday 10 transports sailed, eight of which carried troops. Same day 32 additional ships, similar type, anchored in lower Whangpoo. Landing boats included in outgoing equipment. On decks of three outgoing ships was observed a number of creosoted heavy timber trestles in sections each approximately 60 feet long and 8 feet wide. Several merchant vessels recently taken over observed installing machine gun mounts. One thousand troops departed from Swatow last Saturday.

G-2 Comment: Movement of troops from Central China believed directed toward Hainan and Indo-China. No evidences of heavy concentration on Taiwan (Formosa).

b. *From Guam November 23.* Increased naval activity Truk, Saipan area. Indicated increases base forces in Mandates. Additions to fleet;—Palao, one division Marus; Truk, two divisions Marus; and two seaplane tenders, also shore command (possible landing force). Saipan, two divisions Marus; Jaluit, three divisions Marus and three unidentified shore commands, also two seaplane tenders. Air force activity increasing. Eleventh Air Group believed in Palao. Airon 24 concentrated in Marshalls. Fifth Fleet apparently at Chichijima, portions possibly at Marcus. It is estimated that 70 itinerant ships arrived or departed from Mandates since November 1 with emphasis on Truk and Jaluit areas.

G-2 Comment: Marus are small cargo or passenger vessels requisitioned by the Navy for use as trains, supply vessels and tenders. A Division of Marus consists of some two to four vessels.

The Eleventh Air Group is something a little larger than an American Squadron. The Fifth Fleet consists of odds and ends of vessels not useable by the Combined Fleet. Airon 24 consists of one old carrier (Kamoi) and one converted carrier.

2. From information available in the Division the Japanese strength in the mandated islands is believed to be as follows:

15,000 ground troops.

8 destroyers.

100 aircraft of all types.

9 submarines.

4 light cruisers.

3. The Navy Department have supplied the following comment on November 24th regarding Japanese activity in the Western Pacific:

"Apparent establishment by Japan of combined air and surface patrol over shipping routes U. S. to Australia. Daily aircraft patrols observed extending

¹Omitted.

over Gilbert Islands from Jaluit. Surface craft believed covering area extending to Ellice Island. Fishing fleet reported cooperating with patrols. Fishing fleet divided in three sections: one in vicinity of Bathurst Island, one near Arnham, one near Thursday Islands. Fishing fleet expected to appear around Dutch New Guinea. These ships equipped with long range radio."

(signed) Sherman Miles
SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

Secretary of War
War Plans Division
GHQ

NOVEMBER 26, 1941.

Memorandum for the Chief of Staff:

Subject: Japanese Naval Task Force.

The following information was received from the Commandant 14th Naval District through the Office of Naval Intelligence at 12:45 a. m., this date:

1. The Japanese have been organizing a naval task force for the past month comprising:

a. Second Fleet: Under the command of Commander-in-Chief, Second Fleet. (The Second Fleet corresponds roughly to our Scouting Force, consisting mainly of strong Cruiser Divisions).

b. Third Fleet which formerly was the China Coast Command Force including its first and second base forces, constituted by miscellaneous small vessels.

c. Combined Air Force consisting of all large carrier forces.

d. Also destroyer squadron 3, air squadron 7, submarine squadron 5, and possibly 1 battleship division from First Fleet consisting of 3 battleships.

Summary of Above: 14 Heavy Cruisers, 4 Light Cruisers, 10 Carriers, 3 Light Cruisers, 2 Destroyer Squadrons (24 destroyers), 2 Submarine Squadrons (18 submarines), and possibly 3 battleships.

2. The combined air force has assembled in Takao, Formosa, with some units believed in Hainan Island. The Third Fleet is believed moving in direction of Takao and Bako, Pescadores off West Coast of Formosa, from home waters in Japan. Units from the Second Fleet are at present possibly enroute to South China as advance scouts. Strong concentration of submarines and air groups in the Marshalls. Present location, other units of this task force are not known.

3. The evaluation put upon the above information by the Commandant, 14th Naval District is that a strong force may be preparing to operate in Southeastern Asia, while component parts thereof may be expected to operate from Palao and the Marshall Islands.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

Secretary of War
Assistant Chief of Staff, W. P. D.
I. B. File
Far East Section
Record Section

NOVEMBER 27, 1941.

Memorandum for the Chief of Staff:

Subject: Recent developments in the Far East.

1. It has been reported on good authority, that between 18 and 24 Infantry Divisions and 8 Armored Brigades from the Russian Far Eastern Army have been identified on the Western front. If this is true, between 24 and 18 Divisions and 2 Armored Brigades remain in Eastern Siberia. Thus the possibility of a Kwantung Army offensive thrust against Siberia is increased, although such a move is not believed imminent at present.

2. Certain Japanese troops have been withdrawn from North and Central China within the last three weeks—24,000 of them sailed from Woosung (near Shanghai) between November 15 and 23. The transports carried 184 landing boats. Several other ships left during same period, number of troops and cargoes

unchecked. A special landing craft carrier left Shanghai the 18th of November and was sighted of Wenchow on the 20th sailing southwest.

3. A Naval Task Force which was reported by the 14th Naval District (Hawaii) as organized and concentrated at Taiwan and Hainan appears, according to a November 27 radio from the 16th Naval District (Manila) to be a loosely organized force on its way to an unknown concentration point. According to the latter dispatch it consists of:

3-4 battleships (possibly only)	5 mine layers
3 carriers	4 converted seaplane carriers
11 heavy cruisers	12 mine sweepers
5 light cruisers	12 patrol motor boats
47 destroyers	14 others
16 submarines	

It is apparently not yet ready for concerted action as its Commander is still in home waters and the force concentration has not yet taken place.

4. The Japanese land forces in the Mandated Islands have been gradually increased in the last 6 months from 5,000 to 15,000 men, and they now have about 100 combat planes of all types, plus the 4th Fleet, a mixed naval force of second class units.

5. Reports from Bangkok indicate that the Japanese Foreign Office officials there expect hostilities to break out in that region in the near future.

6. According to British reports, the Japanese have made and will continue to make aerial reconnaissance over British Pacific Islands, especially the Gilbert Group, Nauru and Ocean Islands; also over the Northern portion of British Malaya.

7. Reliable information has been received that the Japanese Foreign Office officials in North French Indo-China expect military movements in and through that region in the near future.

8. In Tongking, the total number of Japanese troops remains at about 25,000 (1½ Divisions), with about 90 planes. Since November 21st, additional Japanese troops have been moving into Southern French Indo-China: 10,000 from Tongking (which have been replaced there by other troops), and some 20,000 by sea. Conservative estimate of number of Japanese troops now in southern Indo-China is at least 70,000. This is approximately 3½ Divisions. The number of Japanese planes has also been increased by 82 (London, Military Attache report, November 25), bringing the total in the south to not less than 157. There may be more than this number since observation is limited. A large quantity of equipment has been landed in Indo-China in the last 60-70 days in amounts far in excess of current needs for the force believed there at present. Totals (minimum):

<i>At Saigon:</i>	300 side cars
90 Tanks (under 5 tons) (Bren gun carriers?)	20 road rollers
42 Tanks (7 to 9 tons)	5,000 collapsible rubber boats
About 30 other Armored vehicles (Type not specified)	500 horses
60 75-mm. guns.	3 locomotives
230 Guns—various calibers	500 light railway freight cars (4 wheel)
1,030 trucks	1,500 cases gas masks
200 motorcycles	14 ambulances
	52 armored cars

At Hanoi:

900 Trucks.

Large quantities of railway material (type not specified) oil and aviation gasoline (quantities not mentioned). Tanks and artillery (quantities, types, calibers, not mentioned).

9. According to a reliable report of November 17, there is a concentration of approximately 50,000 troops on the Island of Hainan. The air bases on the southern part of this island are capable of holding several hundred planes which can be flown from there to Tourane in Indo-China and from that point to Saigon, which is only about 400 miles from Tourane.

10. A reliable source reported on November 25 that an unconfirmed report to the Hanoi government indicated Japanese plans for an invasion of Thailand

about December 1, including seizure of the Isthmus of Kra. In connection with this last item, the Japanese are reliably reported to have been working on a naval and air base at Koupongson Bay on the Gulf of Siam, since September 27, 1941. Also Japanese reconnaissance planes have recently been seen over northern Malaya.

11. Up to the evening of November 26th, the Japanese Ambassador had been unable to make the Secretary of State yield to Japanese proposals and demands, and in consequence the Japanese hopes for an appeasing settlement by the United States are very slim.

12. There is good evidence that the Japanese are prepared to use chemical and probably bacteriological warfare whenever and wherever they deem it necessary or profitable to do so.

13. A press dispatch of November 21 quotes the Chinese military spokesman, Chungking, as accusing the Japanese of starting germ warfare. He said that on November 4th Japanese planes dropped food and clothing at Changteh, Hunan Province and that persons who made use of these were taken ill and died with symptoms similar to those of bubonic plague. (The Military Attache Chungking is investigating this report).

14. From the foregoing it appears evident that the Japanese have completed plans for further aggressive moves in Southeastern Asia. These plans will probably be put into effect soon after the armed services feel that the Kurusu mission is a definite failure. A task force of about five divisions, supported by appropriate air and naval units has been assembled for the execution of these plans. This force is now enroute southward to an as yet undetermined rendezvous.

15. This Division is of the opinion that the initial move will be made against Thailand from the sea and overland through Southern Indo-China. It is further believed that the Japanese are uncertain of the reaction of the ABD powers to this move and therefore have organized in sufficient strength to cope with any opposition they might initially encounter from those powers in the South China Sea.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

Secretary of War
Assistant Secretary of War
Assistant Secretary of War for Air
Chief of the Army Air Forces
Assistant Chief of Staff, W. P. D.
Director of Naval Intelligence
G. H. Q.

I. B. 159

NOVEMBER 29, 1941.

Memorandum for the Chief of Staff:

Subject: Brief Periodic Estimate of the Situation December 1, 1941-March 31, 1942.

I. General.

1. This estimate is addressed to the objective of Nazi defeat. Its purpose is to examine the factors of strength and weakness and of strategic positions of the Nazis and of their opponents, in order to present the military possibilities and probabilities during the period December 1, 1941 to March 31, 1942.

2. a. During that period Germany, though weakened by her losses in Russia, will remain the only power capable of launching large scale strategic offensives. Her success in Russia and the advent of winter make disposable a larger portion of German land and air power than at any time since the beginning of the Russo-German war. On the other hand, the price she has had to pay for her Russian success and the width of the wasted zone behind her Eastern Front indicate that a considerable period of time would be required for the reorganization and redistribution of her major forces. The German conduct of war, so far, has been characterized by a thoroughness and deliberation in this regard. Between the end of one campaign and the launching of the next there have been considerable periods of time. In the present case, if Germany should decide to shift the

theater of war, all indications point to an even greater necessity for a considerable time lag than has so far existed between her successive campaigns. Large scale German strategic offensives are therefore not to be expected outside of the Russian theater within the period under consideration. It is much more probable that Germany will continue her attack on Russia, particularly in the Ukraine and the North Caucasus plain between the Azov and Caspian Seas during the winter and early spring.

b. Japan also has the strategic initiative, but to a much more limited degree than is the case with Germany. Japan, already extended militarily, has a multiplicity of strategic objectives; but for a variety of reasons, she cannot concentrate the required forces to attack any of them on a large scale and with assurance of success. A possible exception to the latter statement lies in the contingency of a serious depletion of Russian forces in eastern Siberia. But even in this case, a large scale Japanese strategic offensive against Siberia during the period in question is somewhat doubtful in the light of present politico-military situation and of the rigorous winter climate in that region.

c. Great Britain is pressing a limited strategic offensive in Libya and has taken the aerial offensive over Western Europe. She, too, is extended militarily and more extensive ground and aerial action is beyond her means.

d. All other belligerent or potentially belligerent powers must be considered incapable of large scale strategic offensives during the period in question. The United States, committed to the defeat of Nazi Germany, is an increasingly important element in the situation. Our influence is exerted in naval and aerial participation in the Battle of the Atlantic, in the supply of material and technical assistance to the four land theaters and in psychological, economic and political action against the Axis throughout the world. But all this does not sum up to a large scale strategic offensive. We have only a means of strategical maneuver—our ability to make available more or less material and technical facilities and in their allocation to those theaters where they will be most advantageously employed.

e. Neither the economic nor the psychologic situation in Germany indicates any possibility of weakening the Nazi power to a critical extent during the period in question.

f. From the above it must be concluded that, during the period in question:

- (1) Neither the anti-Axis nor the Axis powers can force a decision.
- (2) The anti-Axis powers will have a period of at least four months in which they may strengthen their position in one or more of the four important theaters of war, and in which they may decide upon a regrouping of forces, subject to certain physical limitations, consonant with their chosen long range strategy for the defeat of the Nazis.

II. Brief Estimate on the Theaters of War.

1. *The British Isles.* This theater is the citadel of the Anti-Axis Powers. Its security is, therefore, so essential to Nazi defeat that it must be held. The ground, sea and aerial defenses of the islands have been and are being materially strengthened.

For reasons given previously, it is not believed that Germany will be in a position to attempt an invasion of the islands during the period in question. It is probable that an invasion, if attempted, will be delayed until mid-summer of 1942. An attempt made at that time will probably be unsuccessful. As for the present, after a short delay for reorganization and transfer, Germany can launch large-scale air attacks on the United Kingdom at any time that she is willing to move the necessary forces from the Russian front. In view of the improved British defenses and of the weakening of the German Air Force, however, it is estimated that in the period in question such attacks cannot reach the intensities of those of the winter of 1940-41.

From this theater the only British offensive capability lies in the air. It is to be expected that strategic bombing of Germany and the occupied territories will continue; but that this action will be indecisive.

Material aid from the United States has been an essential element in the resistance and survival of the British Isles. Continuance of this aid is still essential. It is, fortunately, the easiest of all the land theaters for us to aid.

2. *The Atlantic.* The Battle of the Atlantic is essentially a struggle for the sea lanes radiating from the United Kingdom, this conflict is now trending against Germany. Sinkings by the Axis are decreasing and ship construction in Britain and the United States is increasing. It is now probable that replacements have

overtaken losses. Figures on ship and tonnage losses during 1941 are as follows:—

Losses (British, Allied and Neutral)

	Total		Monthly average	
	Ships	Tonnage	Ships	Tonnage
January 1 to June 30 (6 months).....	628	2, 755, 242	105	459, 207
June 30 to Nov. 15 (4½ months).....	285	1, 000, 990	63	222, 442

During October over 4,200,000 tons of goods were imported into the United Kingdom, as compared with a monthly average for the year of approximately 2,500,000. The October imports were received after the United States Navy began convoy duty in the Atlantic. As the weight of the United States Navy continues to increase, success in the Battle of the Atlantic should be assured.

Since Germany's means of attack (surface raiders, long-range planes and submarines) are of limited use in other theaters, it is to be expected that she will continue the offensive in this theater, regardless of results or of operations elsewhere.

The United States is contributing powerfully to the decision in the Battle of the Atlantic by direct naval action and by the building of cargo vessels. Continuance of this action is essential to the defeat of Germany.

3. *Eastern Theater.* By a series of relentless offensives Germany has occupied vast stretches of terrain, including many of Russia's industrial regions and has inflicted grave casualties on the Red Army. But Germany has suffered great losses in men and material, and has not yet attained her basic objectives of destroying the Russian armies and the Stalin regime. While Germany could transfer her principal military effort to other theaters this winter, it is estimated that she will continue to concentrate on the attack on Russian. Specifically she will:

Seek to destroy the mass of the Russian armies.

Continue the siege of Leningrad.

Attempt to cut the Russian supply lines to Archangel and Murmansk.

Seek to seize the general line of the Volga.

Attempt to overrun the Caucasus, thus obtaining oil and securing a jump-off position for an eventual advance into the Middle East.

The most serious German threat is southeastwards to the Caucasus, and her goal is oil. Axis forces are extending eastward north of Rostov toward the Don. They may capture Stalingrad and gain control of the Volga south to its mouth at Astrakhan. Russian defense of the North Caucasus will probably eventually fail, after substantially delaying the Axis advance. With sufficiently determined and prompt allied aid, the Germans may be kept from occupation of the Trans-Caucasus and control of the Baku oil fields.

The U. S. S. R. is weaker, relative to Germany, than at the outset of hostilities. Her political structure has remained stable and her armies, while depleted, have not been irreparably defeated. Russia is favored by the following: The extreme cold of winter is a deterrent to operations, and Russian training and technique in severe winter weather is considered better than that of the invaders. While the Soviet situation is critical, ready availability of manpower resources is in Russian favor. Defense industry is in operation at approximately 60% of pre-war volume. British and American material assistance is being received; increased and continuing allied assistance is urgently required.

The following considerations are unfavorable to the U. S. S. R.: The uncertainty of the Far Eastern situation causes concentration of efficient Soviet troops along the Manchukuo frontier, not available for use in the western theater. The Soviet Army has shortages in tanks, all weapons, probably in all ammunition. The shortage in tanks is especially serious; that in small arms and small arms ammunition is less marked than in other weapons. The means of supply from the outside world are difficult and precarious. To date no British operation elsewhere has been sufficiently strong to cause any withdrawal of German troops from Russia.

Aside from surrender, which seems unlikely, Russia's only feasible line of action is to resist stubbornly in the hope that attrition, climate and lengthened communications will eventually bring her assailants to a standstill. By the spring of 1942 it is estimated that organized but depleted Russian armies will stand behind the Volga and perhaps even as far west as Moscow. It is also probable that Russian forces will hold the Caucasus mountains and Trans-Caucasia.

With her industry dislocated, Russia is in extreme need of material assistance from abroad. She requires raw materials, machine tools and munitions. Unfortunately, the avenues of entry are vulnerable, limited in capacity and very awkwardly located. Aid to Russia has been planned on the basis of a total import capacity of 500,000 tons per month. It is by no means certain that this figure will be reached. Russian requirements can only be met by the United States and Great Britain. This relatively small contribution at the crisis of the Russo-German war appears to be the total material means available to the Democracies to influence the struggle within this theater.

4. *Middle Eastern Theater.* In this theater, extending from Libya to the Caspian, only the western segment is active. In Libya the British are engaged in an offensive the issue of which is still in doubt. Farther to the east, Syria, Iraq and Iran are shielded from the war for the time being by neutral Turkey and by the Russian forces in the Caucasus.

Because of the Russian campaign and certain great logistic difficulties, there is practically no danger of an Axis major offensive in this theater, from the north, before the spring of 1942. Even a British defeat in their current Libyan operations would so exhaust the Axis forces in North Africa as to free Alexandria and Suez from the threat of a thrust from the west. A British victory in Libya would probably force German entry into Tunisia and their occupation of Algiers and Morocco. But such an eventuality would be more apt to delay than to hasten an all-out German offensive, from the west and the north, against the Middle East Theater.

Even if successful in their current Libyan offensive, it is not believed that the British will be able to advance through Tripolitania without a considerable delay for reorganization. It is therefore probable that from the British point of view this theater will shortly become a defensive one, with a minimum of several months available for the completion of its organization.

In the eastern sector of this theater (the Levant, Iraq and Iran), the British are gradually building a substantial force to meet any Axis threat to the area through Turkey or the Caucasus Mountains. In the Levant, there are three Australian divisions with other troops, and General Wavell told our Military Observer in Iran that he expected to have at least ten divisions in Northern Iraq by March of 1942.

The United States is committed to providing great masses of material to the Middle East, and is undertaking vast construction projects to facilitate supply. Except the British Isles, the Middle East is the most accessible of the important active theaters to us, and our lines of supply to it, though long, are the least vulnerable.

We are building up an influence on British military policy in the Middle East. Further American commitments, including probably the eventual employment of our armed forces, will be necessary in this region.

5. *The Far Eastern Theater.* Here the initiative rests with Japan in spite of her military overextension. She has the following lines of action open to her:

- a. Attack Siberia.
- b. Attack Yunnan Province to cut the Burma Road with a view to an early end to the war with China.
- c. Occupy Thailand.
- d. Through Thailand, attack
 - (1) Burma and the Burma Road,
 - (2) Malaya.
- e. Attack the Philippines and Hong Kong, preparatory to a movement on Singapore or the Netherlands East Indies.
- f. Contain or isolate the Philippines and Hong Kong and
 - (1) Attack Singapore
 - (a) directly by sea;
 - (b) by sea in conjunction with a land attack through Thailand and Malaya.
 - (2) Attack the Netherlands East Indies.

g. Bide her time, wait for a better opportunity to pursue any of the above lines of action, hoping that the course of events will turn in her favor.

h. Seek a general settlement through American mediation, including an understanding with the United States and Great Britain as to political and economic penetration of southeast Asia and the southwestern Pacific.

i. Reorient her whole foreign policy by withdrawing from the Axis.

(h) and (i) are impossible, short of a complete overthrow of her governing forces.

The most probable line of action for Japan is the occupation of Thailand.

The forces of all other countries in the Far East are on the defensive before Japan. The British Commonwealth, the Netherlands East Indies and the United States are in consultative association for the defense of Malaya. To date this association has been effective in slowing down the Japanese penetration to the southwest. China is containing the equivalent of 30 Japanese divisions. The U. S. S. R., hard pressed for troops in European Russia, has reduced her Siberian garrisons to what she estimates to be the minimum necessary to deter Japan from attacking to the north. So far she has been successful in this effort.

China, aided and encouraged by America, will remain in the war against Japan and will continue to contain important Japanese forces. The effective use of China's unlimited manpower, as an anti-Axis potential, depends entirely on the extent to which she is able to equip it, particularly in artillery and aviation. For this, she is entirely dependent upon the United States. The stronger the Chinese become, the more Japanese troops will be pinned down in China, thereby releasing further Russian strength for use against Hitler.

Although China is receiving an increasing amount of equipment from this country, a major offensive by the Chinese cannot be expected during the period ending March 31, 1942.

The British Imperial forces in Malaysia and at Hong Kong occupy a purely defensive role. The forces in Malaya have recently been re-enforced by additional troops from Australia, New Zealand (air), and India, while those in Hong Kong have been augmented by the arrival of Canadian levies. Both of these localities present a very strong defense against any possible Japanese attack.

The people and government of the Netherlands East Indies have continued, affirmatively and constructively, to function practically as a sovereign state, loyal to the mother country. As evidence of Dutch spirit, they (a) have reorganized their army, (b) are actively at work manufacturing needed army equipment, (c) are actively training reserves, (d) have expanded their system of air fields throughout the islands, (e) have cooperated with the British and United States governments in preparation of extensive plans for defense, (f) have refused to renew their commercial treaty with Japan, (g) have delivered to Japan only 10,000 tons of oil since January 1, 1941—said delivery having been on an old contract still in force.

In the Far East the United States is concerned as a possible belligerent and also as a prime source of war materials for China, the British Commonwealth and for the Netherlands East Indies. We are in process of sending a few military airplanes to Thailand. But this theater will be a secondary one from the point of view of supply. Under all circumstances we will continue to be able to supply Australasia, the Dutch East Indies, and probably also China, though somewhat precariously, through the Burma Road. Siberia will become completely cut off if Japan attacks Russia.

Our influence in the Far Eastern Theater lies in the threat of our Naval power and the effort of our economic blockade. Both are primary deterrents against Japanese all-out entry in the war as an Axis partner. If we become involved in war with Japan we could launch a serious offensive against her by Naval and Air forces. But such an attack would fall short of a major strategic offensive because it could not be decisive within a reasonable time, and still more, because it would be a diversion of forces away from rather than toward our objective, the defeat of the Nazis.

III. *Morale.*

The outstanding feature of the war in 1941 has been the rise in anti-Axis and the decline in Axis morale.

The anti-Axis powers have been heartened by the failure of the German air attack on Britain, the decreased German success in the Atlantic, the continued resistance in the Middle and Far Eastern theaters, the drain on Germany of the Russian Campaign and of her conquered territories, and probably most of all, by the continued progress of America from neutrality towards participation in the war.

Even more notable has been the decline in Axis morale. In Italy and Japan the reasons are obvious. Both are weary of unsuccessful war and economically distressed. But Germany presents a true paradox. Here is a warrior nation which has made colossal sacrifices to build war power and has had unprecedented success in war—and yet is wholly apathetic. No enthusiasm prevails, only the desire to see it all end.

In any given period, a nation at war generally finds itself in one of three military situations. To each of these situations there should be a corresponding moral reaction. These situations and reactions are:

Military Situation

1. Superiority of strength. Possession of initiative. Unbroken success.
2. Approximate equality in strength. Initiative doubtful. Ultimate success still in balance.
3. Inferiority in strength. Strategic initiative lost. Ultimate success doubtful.

Moral Reaction

1. The elan of victory—fighting with confidence of success.
2. The grim struggle—fighting to gain success.
3. Their "back to the wall"—fighting to prevent defeat.

Perhaps the most fundamental fact in the war situation today is that Germany is, and has continuously been in military situation Number 1, while the moral reaction of her people is, and has been for some time rather lower than Number 2.

The morale factor in the war will be affected by the outcome, probably within the next month, of the operations in Russia and in Libya, and by Japan's decision. But there is no reason to believe that the trend of 1941 in German morale will be reversed or even materially reduced in the period under discussion.

In this factor lies the germ of Nazi defeat.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2

Distribution:

The President
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Secretary of State
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Chief of the Air Corps
Director of Naval Intelligence
Coordinator of Information
General Embick
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dya

I. B. 159-A

DECEMBER 5, 1941.

Memorandum for the Chief of Staff:

Subject: Supplementary Brief Periodic Estimate of the Situation December 1, 1941—March 31, 1942.

I. *General.*

1. This estimate is addressed to the objective of Nazi defeat. Its purpose is to examine the factors of strength and weakness and of strategic positions of the Nazis and of their opponents, in order to present the military possibilities and probabilities during the period December 1, 1941 to March 31, 1942. It supplements and amplifies the Brief Periodic Estimate of the Situation December 1, 1941—March 31, 1942, issued by this Division on November 29, 1941, and is believed to be more suitable for planning purposes than the previous estimate.

2. *a.* During that period Germany, though weakened by her losses in Russia, will remain the only power capable of launching large scale strategic offensives. Her success in Russia and the advent of winter make disposable a larger portion of German land and air power than at any time since the beginning of the Russo-German war. On the other hand, the price she has had to pay for her

Russian success and the width of the wasted zone behind her Eastern Front indicate that a considerable period of time would be required for the reorganization and redistribution of her major forces. The German conduct of war, so far, has been characterized by a thoroughness and deliberation in this regard. Between the end of one campaign and the launching of the next there have been considerable periods of time. In the present case, if Germany should decide to shift the theater of war, all indications point to an even greater necessity for a considerable time lag than has so far existed between her successive campaigns. Large scale German strategic offensives are therefore not to be expected outside of the Russian theater within the period under consideration. It is much more probable that Germany will continue her attack on Russia, particularly in the Ukraine and the North Caucasus plain between the Azov and Caspian Seas during the winter and early spring.

b. Japan also has the strategic initiative, but to a much more limited degree than is the case with Germany. Japan, already extended militarily, has a multiplicity of strategic objectives; but for a variety of reasons, she cannot concentrate the required forces to attack any of them on a large scale and with assurance of success. A possible exception to the latter statement lies in the contingency of a serious depletion of Russian forces in eastern Siberia. But even in this case, a large scale Japanese strategic offensive against Siberia during the period in question is somewhat doubtful in the light of present politico-military situation and of the rigorous winter climate in that region.

c. Great Britain is pressing a limited strategic offensive in Libya and has taken the aerial offensive over Western Europe. She, too, is extended militarily and more extensive ground and aerial action is beyond her means.

d. All other belligerent or potentially belligerent powers must be considered incapable of large scale strategic offensives during the period in question. The United States, committed to the defeat of Nazi Germany, is an increasingly important element in the situation. Our influence is exerted in naval and aerial participation in the Battle of the Atlantic, in the supply of material and technical assistance to the four land theaters and in psychological, economic and political action against the Axis throughout the world. But all this does not sum up to a large scale strategical offensive. We have only a means of strategical maneuver—our ability to make available more or less material and technical facilities and in their allocation to those theaters where they will be most advantageously employed.

e. Neither the economic nor the psychologic situation in Germany indicates any possibility of weakening the Nazi power to a critical extent during the period in question.

f. From the above it must be concluded that, during the period in question:

(1) Neither the anti-Axis nor the Axis powers can force a decision.

(2) The anti-Axis powers will have a period of at least four months in which they may strengthen their position in one or more of the four important theaters of war, and in which they may decide upon a regrouping of forces, subject to certain physical limitations, consonant with their chosen long range strategy for the defeat of the Nazis.

11. *Morale.*

The outstanding feature of the war in 1941 has been the rise in anti-Axis and the decline in Axis morale.

The anti-Axis powers have been heartened by the failure of the German air attack on Britain, the decreased German success in the Atlantic, the continued resistance in the Middle and Far Eastern theaters, the drain on Germany of the Russian Campaign and of her conquered territories, and probably most of all, by the continued progress of America from neutrality towards participation in the war.

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The morale factor in the war will be affected by the outcome, probably within the next month, of the operations in Russia and in Libya, and by Japan's decision. But there is no reason to believe that the trend of 1941 in German morale will be reversed or even materially reduced in the period under discussion.

In this factor lies the germ of Nazi defeat.

III. *Brief Estimate on the Actual and Potential Theaters of War.*

1. *The British Isles.* This theater is the citadel of the anti-Axis Powers. Its security is, therefore, so essential to Nazi defeat that it must be held. The ground, sea and aerial defenses of the islands have been and are being materially strengthened.

For reasons given previously, it is not believed that Germany will be in a position to attempt an invasion of the islands during the period in question. It is probable that an invasion, if attempted, will be delayed until mid-summer of 1942. An attempt made at that time will probably be unsuccessful. As for the present, after a short delay for reorganization and transfer, Germany can launch large-scale air attacks on the United Kingdom at any time that she is willing to move the necessary forces from the Russian front. In view of improved British defenses and of the weakening of the German Air Force, however, it is estimated that in the period in question such attacks cannot reach the intensities of those of the winter of 1940-41.

From this theater the only British offensive capability lies in the air. It is to be expected that strategic bombing of Germany and the occupied territories will continue; but that this action will be indecisive.

Material aid from the United States has been an essential element in the resistance and survival of the British Isles. Continuance of this aid is still essential. It is, fortunately, the easiest of all the land theaters for us to aid.

2. *The Atlantic.* The battle of the Atlantic is essentially a struggle for the sea lanes radiating from the United Kingdom, this conflict is now trending against Germany. Sinkings by the Axis are decreasing and ship construction in Britain and the United States is increasing. It is now probable that replacements have overtaken losses. Figures on ship and tonnage losses during 1941 are as follows:

Losses (British, Allied and Neutral)

	Total		Monthly average	
	Ships	Tonnage	Ships	Tonnage
January 1 to June 30 (6 Months).....	628	2,755,242	105	459,207
June 30 to Nov. 15 (4½ Months).....	285	1,000,990	63	222,442

During October over 4,200,000 tons of goods were imported into the United Kingdom, as compared with a monthly average for the year of approximately 2,500,000. The October imports were received after the United States Navy began convoy duty in the Atlantic. As the weight of the United States Navy continues to increase, success in the Battle of the Atlantic should be assured.

Since Germany's means of attack (surface raiders, long-range planes and submarines) are of limited use in other theaters, it is to be expected that she will continue the offensive in this theater, regardless of results or of operations elsewhere.

The United States is contributing powerfully to the decision in the Battle of the Atlantic by direct naval action and by the building of cargo vessels. Continuance of this action is essential to the defeat of Germany.

3. *Eastern Theater.* By a series of relentless offensives Germany has occupied vast stretches of terrain, including many of Russia's industrial regions and has inflicted grave casualties on the Red Army. But Germany has suffered great losses in men and materiel, and has not yet attained her basic objectives of destroying the Russian armies and the Stalin regime. While Germany could transfer her principal military effort to other theaters this winter, it is estimated that she will continue to concentrate on the attack on Russia. Specifically she will:

Seek to destroy the mass of the Russian armies.

Continue the siege of Leningrad.

Attempt to cut the Russian supply lines to Archangel and Murmansk.

Seek to seize the general line of the Volga.

Attempt to overrun the Caucasus, thus obtaining oil and securing a jump-off position for an eventual advance into the Middle East.

The most serious German threat is southeastwards to the Caucasus, and her goal is oil. Axis forces may capture Stalingrad and gain control of the Volga south to its mouth at Astrakhan. Russian defense of the North Caucasus will probably eventually fail, after substantially delaying the Axis advance. With sufficiently determined and prompt allied aid, the Germans may be kept from occupation of the Trans-Caucasus and control of the Baku oil fields.

The U. S. S. R. is weaker, relative to Germany, than at the outset of hostilities. Her political structure has remained stable and her armies, while depleted, have not been irreparably defeated. Russia is favored by the following: The extreme cold of winter is a deterrent to operations, and Russian training and technique in severe weather is considered better than that of the invaders. While the Soviet situation is critical, ready availability of manpower resources is in Russian favor. Defense industry is in operation at approximately 60% of pre-war volume. British and American material assistance is being received; increased and continuing allied assistance is urgently required.

The following considerations are unfavorable to the U. S. S. R.: the uncertainty of the Far Eastern situation causes concentration of efficient Soviet troops along the Manchukuo frontier, not available for use in the western theater. The Soviet Army has shortages in tanks, all weapons, probably in all ammunition. The shortage in tanks is especially serious; that in small arms and small arms ammunition is less marked than in other weapons. The means of supply from the outside world are difficult and precarious. To date no British operation elsewhere has been sufficiently strong to cause any withdrawal of German troops from Russia.

Aside from surrender, which seems unlikely, Russia's only feasible line of action is to resist stubbornly in the hope that attrition, climate and lengthened communications will eventually bring her assailants to a standstill. By the spring of 1942 it is estimated that organized but depleted Russian armies will stand behind the Volga and perhaps even as far west as Moscow. It is also probable that Russian forces will hold the Caucasus mountains and Trans-Caucasia.

With her industry dislocated, Russia is in extreme need of material assistance from abroad. She requires raw materials, machine tools and munitions. Unfortunately, the avenues of entry are vulnerable, limited in capacity and very awkwardly located. Aid to Russia has been planned on the basis of a total import capacity of 500,000 tons per month. It is by no means certain that this figure will be reached. Russian requirements can only be met by the United States and Great Britain. This relatively small contribution at the crisis of the Russo-German war appears to be the total material means available to the Democracies to influence the struggle within this theater.

4. *Middle Eastern Theater.* In this theater, extending from Libya to the Caspian, only the western segment is active. In Libya the British are engaged in an offensive the issue of which is still in doubt. Farther to the east, Syria, Iraq and Iran are shielded from the war for the time being by neutral Turkey and by the Russian forces in the Caucasus.

Because of the Russian campaign and certain great logistic difficulties, there is practically no danger of an Axis major offensive in this theater, from the north, before the spring of 1942. Even a British defeat in their current Libyan operations would so exhaust the Axis forces in North Africa as to free Alexandria and Suez from the threat of a thrust from the west. A British victory in Libya would probably force German entry into Tunisia and their occupation of Algiers and Morocco. But such an eventuality would be more apt to delay than to hasten an all-out German offensive, from the west and the north, against the Middle East Theater.

Even if successful in their current Libyan offensive, it is not believed that the British will be able to advance through Tripolitania without a considerable delay for reorganization. It is therefore probable that from the British point of view this theater will shortly become a defensive one, with a minimum of several months available for the completion of its organization.

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The United States is committed to providing great masses of material to the Middle East, and is undertaking vast construction projects to facilitate supply. Except the British Isles, the Middle East is the most accessible of the important active theaters to us, and our lines of supply to it, though long, are the least vulnerable.

We are building up an influence on British military policy in the Middle East. Further American commitments, including probably the eventual employment of our armed forces, will be necessary in this region.

5. *The Conquered Nations.* The conquered countries will continue to rally somewhat more strongly against their conqueror. While effective revolts are to be discounted, maintenance of order will divert some 40 German and some 25 Italian divisions. The economic contributions of these countries to the Axis war effort will fall below German hopes and will tend to decline. Germany's failures in administration, in organization of production and above all in reconciliation to her hegemony of Europe will become an increasing drain on her strength.

6. *The Far Eastern Theater.* Here the initiative rests with Japan in spite of her military overextension. She has the following lines of action open to her:

- a. Attack Siberia.
- b. Attack Yunnan Province to cut the Burma Road with a view to an early end to the war with China.
- c. Occupy Thailand.
- d. Through Thailand, attack
 - (1) Burma and the Burma Road,
 - (2) Malaya.
- e. Attack the Philippines and Hong Kong, preparatory to a movement on Singapore or the Netherlands East Indies.
- f. Contain or isolate the Philippines and Hong Kong and
 - (1) Attack Singapore
 - (a) directly, by sea;
 - (b) by sea in conjunction with a land attack through Thailand and Malaya.
 - (2) Attack the Netherlands East Indies.
- g. Bide her time, wait for a better opportunity to pursue any of the above lines of action, hoping that the course of events will turn in her favor.
- h. Seek a general settlement through American mediation, including an understanding with the United States and Great Britain as to political and economic penetration of southeast Asia and the southwestern Pacific.
- i. Reorient her whole foreign policy by withdrawing from the Axis.
 - (h) and (i) are impossible, short of a complete overthrow of her governing forces.

The most probable line of action for Japan is the occupation of Thailand.

The forces of all other countries in the Far East are on the defensive before Japan. The British Commonwealth, the Netherlands East Indies and the United States are in consultative association for the defense of Malaysia. To date this association has been effective in slowing down the Japanese penetra-

tion to the southwest. China is containing the equivalent of 30 Japanese divisions. The U. S. S. R., hard pressed for troops in European Russia, has reduced her Siberian garrisons to what she estimates to be the minimum necessary to deter Japan from attacking to the north. So far she has been successful in this effort.

China, aided and encouraged by America, will remain in the war against Japan and will continue to contain important Japanese forces. The effective use of China's unlimited manpower, as an anti-Axis potential, depends entirely on the extent to which she is able to equip it, particularly in artillery and aviation. For this, she is entirely dependent upon the United States. The stronger the Chinese become, the more Japanese troops will be pinned down in China, thereby releasing further Russian strength for use against Hitler.

Although China is receiving an increasing amount of equipment from this country, a major offensive by the Chinese cannot be expected during the period ending March 31, 1942.

The British Imperial forces in Malaysia and at Hong Kong occupy a purely defensive role. The forces in Malaya have recently been re-enforced by additional troops from Australia, New Zealand (air), and India, while those in Hong Kong have been augmented by the arrival of Canadian levies. Both of these localities present a very strong defense against any possible Japanese attack.

The people and government of the Netherlands East Indies have continued, affirmatively and constructively, to function practically as a sovereign state, loyal to the mother country. As evidence of Dutch spirit, they (a) have reorganized their army, (b) are actively at work manufacturing needed army equipment, (c) are actively training reserves, (d) have expanded their system of air fields throughout the islands, (e) have cooperated with the British and United States governments in preparation of extensive plans for defense, (f) have refused to renew their commercial treaty with Japan, (g) have delivered to Japan only 10,000 tons of oil since January 1, 1941—said delivery having been on an old contract still in force.

In the Far East the United States is concerned as a possible belligerent and also as a prime source of war materials for China, the British Commonwealth and for the Netherlands East Indies. We are in process of sending a few military airplanes to Thailand. But this theater will be a secondary one from the point of view of supply. Under all circumstances we will continue to be able to supply Australasia, the Dutch East Indies, and probably also China, though somewhat precariously, through the Burma Road. Siberia will become completely cut off if Japan attacks Russia.

Our influence in the Far Eastern Theater lies in the threat of our Naval power and the effort of our economic blockade. Both are primary deterrents against Japanese all-out entry in the war as an Axis partner. If we become involved in war with Japan we could launch a serious offensive against her by Naval and Air Forces based on the Philippines and elsewhere in Malaysia. But such an attack would fall short of a major strategic offensive because it could not be decisive within a reasonable time, and still more, because it would be a diversion of forces away from rather than toward our objective, the defeat of the Nazis.

7. Northwest and West Africa. a. Northwest Africa. Although valuable as a base for aerial operations, northwest Africa cannot provide an anti-Axis offensive theater of operations. Any anti-Axis ground force that had occupied this area would be faced with the crossing of the Mediterranean, if it should decide to conduct operations on the European mainland. Its prime value, therefore, to anti-Axis forces lies primarily in denying its occupation to Axis forces. Paragraph 9, Tab A, outlines the potential opposition to Axis occupation and shows clearly that German forces would meet with little resistance. Time and space factors, as well as potential enemy resistance, clearly indicate that Germany can occupy this area ahead of an anti-Axis force.

On the other hand, enemy potentialities are not as favorable with regard to the occupation of the Azores. With control of the Atlantic still in the hands of anti-Axis forces, the Axis could hardly be expected to span one thousand miles of ocean to reach the Azores. Should the Azores be prevented from falling into the hands of Axis forces, the advantages gained by the Axis occupation of Northwest Africa would be partially nullified.

b. West Africa. West Africa is of value to the Axis in providing submarine and airplane bases from which to operate against Allied shipping and influence

Latin America. Axis occupation would also deny the direct bomber ferry service from the United States to the Middle East Theater. The theater is one which would be extremely severe, due to climatic and disease factors, to all but native troops. With France committed to collaboration with Germany, time and space factors and potential resistance would make undisputed occupation by the Axis difficult but possible. Cape Verde, on the other hand, could be occupied by anti-Axis forces and the occupation would limit the encroachment of Axis forces towards South America and reduce the scope of operation of Axis submarines and planes.

c. The probability of German occupation of Northwest and West Africa during the period December 1, 1941–March 31, 1942, is contingent on the possible outcome of the present campaign in Libya as well as on the plans of the German General Staff. The preceding sub-paragraphs show that Germany can occupy Northwest Africa at will and West Africa with some delay. On the other hand, success by the Axis in those areas, would probably invite anti-Axis occupation of the Azores and Cape Verde. It seems more likely that this German action in Africa will be postponed, but if it is launched it should surprise no one.

8. *Western Hemisphere.* During the period December 1, 1941 to March 31, 1942, it is not expected there will be any significant change in the Western Hemisphere theater.

The twenty Latin American republics all have individual problems. Most of their political difficulties are due to economic strain and jockeying for power between the "ins" and the "outs", the "outs" always being supported by the anti-American forces. They are all extremely conscious of the world situation and the two powerful antagonists, and are not anxious to make any enmities with the potential winner. Military power impresses them mightily, as few other matters do.

In this area, no direct war effort can be seen during this period, and Germany's line of action and organization will be to perfect and extend her present influence in each of the countries by propaganda, bribery and coercion. Subversive activities will be kept under cover and the Axis influence will not emerge in any large-scale version in this area until a more propitious circumstance arises which will be determined by the progress of events in Europe and Asia.

In other words, the Axis threat in the Western Hemisphere theater is potential during this period, with possibilities of political upheavals, sabotage and subversive actions only if it is to cause a diversion of American forces and attention.

SHERMAN MILES,

*Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.*

Enclosure :

Tab A

Distribution :

Chief of Staff
Assistant Chief of Staff, W. P. D.
G. H. Q.
Air Corps
Director of Naval Intelligence
Air Section
British Empire Section
Central European Section

Eastern European Section
Far Eastern Section
Latin American Section
Southern European Section
Western European Section
Record Section
I. B. File

TAB A—SUPPORTING ESTIMATES

1. The British Empire—Omitted.
2. U. S. S. R.—Omitted.
3. The Philippines—Omitted.
4. Germany—Omitted.
5. Italy—Omitted.
6. Japan
7. Thailand
8. Turkey—Omitted.
9. Iberian Peninsula. Northwest Africa—Omitted.

6. Japan.

a. Combat. Japan has an active army of about 2,000,000 including an air force of about 65,000. She now has increased her trained and partially trained reserve to approximately 4,750,000. The estimated number of active divisions is 62; of independent brigades, 22; of cavalry brigades, 5; and of tank regiments, 13; plus 15 depot divisions in Japan proper and Korea, and garrison troops and railway guard units in Manchuria.

The active forces are deployed over a wide area from Karafuto (Sakhalin) and Manchuria in the north to the French Indo-China-Thailand border in the south. According to the latest reports available, the distribution outside Japan proper is approximately as follows:

	Divs.	Ind. Brigs.	Cav. Brigs.	Tank Regts.
Manchuria and Adjacent regions.....	30	6	4	7
North China.....	8	6	1	1
Central China.....	10	6	-----	1
Canton and South China Coast.....	2	1	-----	1
Formosa.....	2	-----	-----	-----
Hainan.....	1	1	-----	-----
French Indo-China.....	3	1	-----	1

This wide deployment creates immense problems of supply and communications, and requires the use of a large number of transports and supply ships. Reliable information indicates that as of October 1, the Japanese forces on the continent south of the great wall had reserve supplies and munitions for not more than six weeks, this in spite of extensive use of vessels of the Japanese merchant fleet withdrawn from the Pacific trade. Since October 1, of course, this situation has probably been alleviated, but the problem of supply still exists. Any hostile naval or air action against the lines of communication to the continent would put the Japanese forces in Central China and all areas to the south in a very critical position.

The Japanese army is well trained and has proved an efficient fighting force against the Chinese. The staff has functioned well during difficult tactical operations in China. The enlisted men, although somewhat lacking in initiative, are well trained, the bulk experienced in combat, courageous and aggressive to the point of recklessness. The Japanese have been consistently successful in China from a tactical point of view; only combat with a modern army can determine Japan's relative efficiency compared to modern occidental armies. Japan's army is physically hardy, and psychologically inspired by loyalty to the Emperor, devotion to duty, and a fanatical patriotism which makes it a formidable foe on the Asian continent or nearby islands.

Except for the Russian forces in Siberia, the Japanese army is the best equipped army in Asia. Its equipment, however, is inferior to that of any of the powerful European armies. The shortage of raw materials and production capacity will limit the number of new divisions which can be equipped, even though Japan's partially trained man power is ample for her anticipated needs. Individual equipment appears to be sufficient and in good condition, but there is a shortage of organizational and other equipment, such as tanks, antiaircraft weapons, and modern artillery.

The Japanese Army and Navy air forces have made rapid progress since 1937. Personnel strength of both is about 100,000 officers and men, and the two services have a combined plane strength of approximately 5353 combat planes. The Army has 136 squadrons and 2362 planes; the Navy 159 squadrons and 2991 planes. Plane design has lagged, and many old type planes are included in the totals, above, but lack of formidable opposition has allowed the Japanese to maintain undisputed air superiority. Four years of continuous air operations have increased the efficiency of Japanese aviation in no small degree. Acquisition of German planes and more extensive employment of German technical advisers has probably contributed to a further increase in efficiency. Present plane production is currently estimated at 200 per month, for all combat types, both army and navy.

Japan has a navy consisting of approximately 180,000 men and officers, exclusive of about 35,000 in the naval air corps. Naval strength comprises over a million tons already built and nearly 500,000 tons building. The navy is divided into two main divisions: the Combined Fleet, and the Japanese Naval Forces in

China. The latter consists of the North Central and South China Fleets. The Combined Fleet is based in home waters.

The Japanese navy is modern, well balanced, and ready for prompt service. It is relatively strong in aircraft carriers and tenders; it would be a formidable opponent to the navy of any power, or to those of any combination of powers, attempting offensive operations in the western Pacific.

Japan, because of her geographic location including her bases on Formosa and Hainan, flanks all sea approaches to the southeastern coast of Asia north of Saigon; lies athwart all routes from the east to the eastern and northeastern coast of the mainland; and is in a remarkably strong strategical position for defense against any distant naval power. The Formosa base is the key to this position; neutralization of Formosa would imperil all her troops and installations south of Japan proper. However, Japan's geographic position is such that her navy on the strategical defensive could from time to time assume the tactical offensive. Japan's greatest weakness lies in the vital necessity of keeping open the water lines of communication to her forces in central and south China and Indo-China over routes that are vulnerable to underwater and air attack from hostile bases in the Philippines, Malaya, Burma, and China.

b. Political. A year ago, under the premiership of Prince Konoye, Japan set up its own version of totalitarianism, called the "new national structure." Political parties were disbanded, and the Imperial Rule Assistance Association, designed to unite all the people in assistance to the Throne, was hastily whipped into shape. As a political organization, however, the Association does not control the country as do the Nazis in Germany or the Fascists in Italy, since such control would be contrary to the Japanese theory of the Emperor as the supreme head of the State, to whom all Japanese yield obedience and service. The stated aims of the Association were too vague to meet with general approval, and it is clear that the "new structure" movement has not been a success since it has not been able to "unify all phases of Japanese life."

While this attempt to create a totalitarian structure has been going on, the domination exercised by the army clique for nearly a decade has continued. The whole political machinery is geared to preparation for expansion into the maritime provinces of Siberia, for further expansion in southeast Asia, and the southwestern Pacific, and to the solution of the China "Incident".

The Tripartite Pact which Japan signed with Germany and Italy in September, 1940, by implication requires Japan to attack the United States, or any other power, except Russia, not involved in the European war at that time, should it attack either of the Axis partners. The strong Russian resistance to Nazi attack has, however, been a damper to Japanese enthusiasm for her Axis obligations. Although Foreign Minister Togo, who succeeded Toyoda, has announced that there is no change in the foreign policy of Japan, and that Japan will adhere to the Axis alliance, there is evidence that in order to secure a better position for herself, she might disregard her obligations, and even withdraw from the Axis. Japan has boundless ambitions in East Asia, but in view of the increasing American and British strength in the Far East, and the continued stalemate in China, she finds herself in a more and more unfavorable strategic position to realize these ambitions. Japanese government leaders are aware of the perils of further military adventures; they want to avoid a general war in the Pacific. They wish by every means possible to inveigle the United States into an agreement "looking toward a peaceful settlement of all outstanding issues between the two countries." This simply means recognition of Japan's territorial and economic gains in Eastern Asia. The result of these conflicting desires is a state of almost desperate indecision. The fact that Japanese newspapers have come out with their most bombastic bluster during the beginning of Mr. Kurusu's conference seeking a peaceful settlement with this country is the best indication of the lack of coordination, the indecision, and the confused general political situation in Japan. There can be no doubt that the army hot-heads, the Black Dragon Society, and other intransigents will oppose most strenuously any major concessions by their present government leaders. Thus the chief obstacle to successful negotiations by Mr. Kurusu or any other envoy, has been the fact that although Premier Togo is an army man, he cannot be said to control the army, the navy, or the ultra-nationalistic secret societies. Until such control is assured, no agreements through negotiations can be successfully carried out. The Kurusu conference can now be said definitely to have ended in failure because of the extreme position taken by the Japanese Government in regard to concessions which they felt could be made in the Far Eastern Area.

Without their previous enthusiasm and behind uncertain leadership, the Japanese are continuing in the path to what they believe is their "divinely appointed destiny" without being too sure as to where that destiny will take them. As a matter of fact, there is evidence that the people of Japan are becoming more and more alarmed and apprehensive; they fear that the present course is taking them into a major war with not just one power, but with a combination of powers. In her present situation, if Japan goes to war, her people will enter it desperately rather than confidently.

c. Economic. Because of the ever increasing stringency of the embargo placed on Japan by the United States, Great Britain, and the Netherlands East Indies, the economic situation in Japan is slowly but surely becoming worse. The Japanese have always lacked war materials, adequate foreign exchange, and sufficient foreign trade; the embargo has served to increase sharply the deficiencies in these categories.

Germany's attack on Russia has cut off the supply of military and industrial equipment and machinery from Germany to Japan. The Japanese are finding that economically, as well as politically, the Tripartite Pact has serious disadvantages to them. The pro-Axis leaders are having more and more difficulty in justifying the alliance with Germany.

Japan's Greater East Asia Co-Prosperity Sphere is anything but prosperous. Labor shortages, lack of adequate and sufficient transportation facilities, guerrilla warfare and, most of all, lack of cooperation on the part of the people who have been brought into the "sphere" by force or the threat of force, have prevented Japan from realizing the economic benefits which she has so often and so loudly proclaimed would result from her scheme.

The firm united front of the United States, Great Britain, and the Netherlands East Indies in enforcing the embargo has put Japan "on the spot" economically. Even little Thailand has been encouraged to resist Japanese pressure for economic, as well as political, concessions. The effects of the embargo will compel Japan to strive to obtain more assistance from the regions under her control in East Asia, and to continue her efforts to persuade the ABD powers through threats and promises to relax the embargo. If she goes to war to achieve her economic objectives, Japan faces ruin; but at the same time she feels that achievement of these objectives are vital to her existence.

Japan lacks essential raw materials to support either her manufacturing industries or a major war effort, even continued effort against China. The stoppage of trade and freezing of credits has drastically reduced Japan's supply of raw materials, and has caused her to begin using her reserves. Many of her industries are suffering from shortages, rationing has been extended and intensified; in short, economically Japan is in perilous plight. The situation calls for strenuous measures; yet, if she goes to war, she may use up her reserves, especially of oil and steel, before she can force a decision favorable to herself. Thus her economic situation contributes largely to the indecision of her leaders. This is a problem which she must solve within the next few months.

7. Thailand.

a. The contributions of Thailand toward the defeat of the Nazi or Axis forces has been for the most part negligible. However, beginning in the late summer of 1941 there have been evidences of her growing will to resist any encroachments on her sovereignty. This is supported by the facts that Thailand has been strengthened both in military force and diplomacy to a position where the Thais could make a very real contribution to the common cause.

b. Thailand, or Siam, a weak buffer state between colonies of Great Powers, has traditionally played one off against the other while leaning toward the dominant one of the moment. The fall of France, accompanied with her replacement in Indo-China by aggressive Japanese troops on Thai borders, compelled the Thai government to reorient her policies. The obvious weakness of the Democracies throughout 1939, 1940 and the first half of 1941 made Thailand's foreign relations appear pro-Japanese. And there is no doubt that several Thai Cabinet Ministers and other influential leaders including Princes of Royal blood are pro-Japanese. However, the Prime Minister and Field Marshal, Luang Pibul Songgram, for all practical purposes the supreme ruler of Thailand, is positively pro-Thai to the exclusion of all foreign ties or bias. The key to the situation may be that since August 1941 Songgram has devoted almost all his efforts and his considerable abilities to the reorganization and strengthening of Thai armed forces. The Thai army is unquestionably loyal, and with their

morale high from recent victories over the French forces, they can be counted on to follow the person and leadership of their Commander-in-Chief.

c. The formation of the ABCD coalition and the strong position recently taken by the United States have effectively altered the political and diplomatic outlook. Thailand is now distrustful of Japanese designs and fearful of invasion. A guarantee of Thailand's territory and independence after the war, and immediate, substantial, material aid and supplies, would greatly strengthen Thailand's will and power to resist the Japanese.

d. With reference to Thailand, a great contribution that could be made to the defeat of Nazi forces would be to prevent this country and natural base of operations against the Burma Road, Malaya, and the East Indies from falling into Axis hands. The Thai army and people will fight bravely to defend their independence, but with little or no outside aid, probably could not withstand a determined attack in force more than two weeks. Thai forces are deployed along the long Mekong River frontier, but first line defense units of less than 40,000 reliable combat troops—especially with insignificant mechanized units and woeful weakness in antitank and antiair forces—could not block for long the logical push from northwest Cambodia west along the railroad to Bangkok and the heart of Thailand.

e. Thailand's resistance may be disastrously affected under heavy enemy bombing, unless fighting planes and antiaircraft units are made available to Bangkok in time. If supporting outside forces could assume the protection of the entire Malay Peninsula, up to and in contact with Bangkok, and give some naval aid in the Gulf of Siam, Thailand could concentrate her entire force against the major threat from the southeast to her distinct advantage. With relatively small quantities of military supplies and equipment, but particularly air force, antiair, and antimechanized elements, medium artillery ammunition, and technical or military advisers arriving in time, Thailand might hold out indefinitely.

THAILAND'S ARMED FORCES

40,000 Regular Army—well trained and equipped, organized into 5 Corps (8,000 each) of 15 Inf. Divisions (2,500 each).

8,000 men mobilized in newly organized 6th Corps.

2,500 in Marine Division.

20,000 police force and border guards under military organization.

200,000 partially trained reserves not mobilized and lacking in equipment. Only 2,000 trained reserve officers.

Mechanized force of 95 tanks and 150 motorcycle troops.

Anti Air defense—about 12 light guns, 8 75-A.A. and 8 searchlights.

Country wide air defense warning system.

Air Force

200 airplanes of all types organized into 5 Army wings and 1 Naval wing.

600 trained pilots but no reserve planes.

Thai Naval Force consists of 4 heavy gunboats, 16 medium and small torpedo boats, 12 motorboats and 5 small submarines. Sufficient trained personnel.

There is an arsenal in Bangkok with means for producing considerable small arms and light artillery ammunition.

DECEMBER 6, 1941.

Memorandum for the Chief of Staff:

Subject: Estimate of Japanese Strength in Indo-China.

1. It is estimated that there are 107,000-115,000 Japanese troops ashore in Indo-China, 25,000 in the north and 82,000-90,000 in the south.

2. Analysis of the foregoing:

a. Tong King:

Initial garrison.....	6,000
Landed prior to Oct. 18.....	5,000
Landed since Oct. 18.....	14,000

Present Total..... *25,000

*Exclusive of about 13,000 troops landed at Haiphong and moved south by rail.

b. South Indo-China:

(1) Known to have landed.

Garrison Nov. 1-----	32, 000
Nov. 3-18	
By sea-----	2, 000
By rail-----	3, 000
Nov. 18-29	
By sea-----	30, 000
By rail-----	10, 000
	77, 000
Since Nov. 29 (est.)-----	5, 000
	82, 000

(2) Reported by Manila, December 21—21 transports in Camrah Bay—estimated 18,000.

(3) According to various reports, there is an undetermined number of transports enroute to Indo-China.

SHERMAN MILES,
Brigadier General, U. S. Army,
Acting Assistant Chief of Staff, G-2.

Distribution:

Secretary of War.
Assistant Chief of Staff, WPD.

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DECEMBER 6, 1941.

Memorandum for the Chief of Staff:

Subject: Estimate of Japanese Air and Ground Forces in Indo-China, Hainan and Formosa.

1. *Indo-China.*

Japanese troops in the theater-----	125, 000
In the North-----	25, 000
In the South-----	82, 000
On ships in harbors-----	18, 000
Total-----	125,000

(Other troops, number unknown, are in transit toward Indo-China, south of Shanghai)

Planes (bulk in the south)----- 450

2. *Hainan.*

Japanese troops-----	50, 000
Planes (approx.)-----	200

3. *Taiwan (Formosa).*

Japanese troops-----	40, 000
Planes (approx.)-----	400

4. Basis of the foregoing: Reports by M. I. D., O. N. I., State Department and British Intelligence.

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