

EXHIBIT NO. 159

This Exhibit is a compilation of material relating to United States—Chinese conversations concerning the Japanese situation, and consists of the following items:

1. Memorandum for the President by Lauchlin Currie dated May 10, 1941 concerning the Chinese aircraft program attaching two documents, one prepared by the Chinese Mission and the other written by Dr. Hornbeck.
2. Telegram from Generalissimo Chiang-Kai-Shek dated July 8, 1941.
3. Telegram from Minister of Communications dated July 8, 1941 with attached telegram from Berlin dated July 4, 1941.
4. Cable to Lauchlin Currie from Owen Lattimore, Chungking, dated July 22, 1941.
5. Memorandum for the President from Sumner Welles dated August 7, 1941 with two enclosures, being
 - (1) A note for the Secretary of State dated August 2, 1941 from the Chinese Ambassador with enclosure and
 - (2) Communications to the American Embassy, Chungking, dated August 7, 1941.

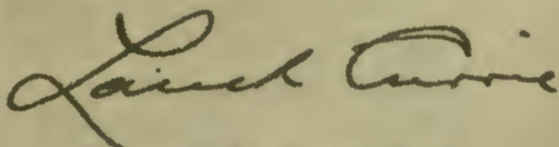
THE WHITE HOUSE
WASHINGTON

May 10, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Chinese Aircraft Program

In connection with your consideration of the tentative aircraft program for China which I submitted yesterday, you may find the attached documents of some interest. The one without a title was prepared by the Chinese Mission here and the other was written by Dr. Hornbeck.



Lauchlin Currie

Singapore is the key to the western Pacific and the Indian Ocean. Its position determines the control of eastern Asia regardless of the fate of the Philippines. All steps taken so far by Japan indicate their intention to prepare for a move against Singapore.

One may assume that although Singapore is well fortified, small British land, sea, and air forces there are likely to find it difficult to sustain for long the full impact of the Japanese fleet, air, and land forces unless outside assistance be given.

The recent Soviet-Japanese pact has enabled Japan to release at least ten crack divisions and some five hundred first line planes now in Manchuria for operation in other theaters of war.

Singapore could be saved by active intervention of the entire United States fleet with its attendant dangers and complications.

There is, however, a powerful means to check Japanese attack on Singapore and the South Seas or to assist in the effective defence of the beleaguered key fortress, without the intervention of the United States fleet, and that is the creation of a small but efficient air force in China.

This force would constitute a threat to the flank of a Japanese advance southward. Every Japanese move, concentrations on Formosa or Hainan, convoys of transports into China, Siam, or further west, transport of troops across Indo-China, and above all, Japanese air concentrations in Tonkin and Cochin China would be watched systematically, but more important, exposed to constant attack and diversion.

The configuration of southeastern Asia exposes Japan to such action on the part of an efficient hostile air force. Such a force located between the Burma frontier and the province of Kweichow, mostly on high plateaus, has only to cover some 350 miles to reach the Japanese air concentrations at Hanoi, where hundreds of planes are crowding the few airports which the topography of the country permits to utilize. Further, it would interfere with Japanese military transports and troop concentration on Formosa, Hainan, Paracels Island, which are all within easy range. The force could as easily attack concentrations of Japanese planes, troops, and shipping in southern Indo-China and Siam.

The Japanese are sprawled all over China and the existence of this air force would enable the main body of the Chinese regular armies to undertake counter-offensive operations with good assurance of success, which they cannot do at present until so provided with the requisite air arm. The Japanese armies in central China depend exclusively for their supplies on the long and winding Yangtze, which provides an ideal target for an air force operating on interior lines. With the initial strength of the new air force the Chinese troops could launch counter-attacks, the main purpose of which would be not only to hold existing Japanese forces in China but to compel the continuous dispatch of strong reinforcements.

Finally, the main industrial areas within Japan, the triangle Kobe, Kyoto, Osaka, as well as Yokohama and Tokyo, could be attacked by bombers operating from existing air fields in China.

[2] All the above objectives can be achieved efficiently and successfully by a force of 500 planes composed of 350 pursuits and 150 bombers. The existing lines of communication from ports of entry from the west permit to supply and maintain in the field such a force, and would be doubly assured if urgently supplemented by some 35 transport planes of the DC-3 type. The American-operated China National Airways Corporation estimate that this would give an additional capacity of 4,000 tons monthly from the rail head in Burma and over the most difficult section of the Burma highway.

The full strength of 500 planes could be reached by three stages.

The first stage when the 100 P-40's now on the water reach China and the pilots and ground crews now volunteering for service are already in the field. In July the force of pursuits could begin protecting the ways of access to China and particularly the Burma highway.

Second stage. A force ready to operate in September and composed of 200 pursuits and 100 bombers could be constituted if immediate decision were taken and intense preparations were made to supply an additional 100 pursuits and 100 bombers to be shipped during the month of May.

Third stage. By the first of November a full force of 500 craft would be ready to operate by shipment in June and July of 150 pursuits and 50 bombers. In addition, replacements at the rate of 15 percent would have to be provided.

The gradual development of the operations would by then permit the full force to attack all the objectives at the end of the rainy season. From the first

of November there is six months of clear weather over Burma and Yunnan, permitting extensive operations. Thus preparatory work would be accomplished under the cover of bad weather and the force would be ready to operate at the best season, provided immediate decision and requisite practical steps are taken, which would imply certain diversions of planes, equipment, and personnel, and concentrated preparation (including the question of shipping).

Permission has already been obtained to recruit pilots and ground crews for the P-40's already on the way. If permission is given to recruit an additional 150 pilots and 300 technical men for ground crews, the personnel of the force could be in the field by the end of July. There are 1,200 Chinese pilots and a large number of ground crews available in China; one-third experienced, one-third with fighting experience, and the remainder requiring more training, and the existence of this renders it possible to limit the number of the foreign members of the force.

With this personnel and aircraft in operation this autumn, not only the determined Japanese move toward the south could be prevented or rendered difficult, but should this move materialize, vitally effective assistance would be afforded to the defenders of Singapore and the Dutch East Indies by constant attacks in the rear of the enemy forces.

To sum up:

Effective air operations in China should follow a carefully planned program which includes the procurement, shipment, assembly, and operation of specified types of airplanes in order to attain prescribed tactical and strategical objectives.

[3] The general outline of such a program follows.

First Phase

Airplanes Required:

1. 100 bombardment, modified Lockheed Hudson type.
2. 100 pursuit, P-40 type.
3. 100 pursuit, P-43 type.

Note: Of the above listed airplanes, 100 P-40's have been procured and are en route to China.

Volunteer Personnel:

1. 100 pilots.
2. 160 technical and clerical.

Note: These men are now being employed.

Tactical Objectives:

1. Defence of air bases, Burma highway, supplies in transit and in storage in Yunnan province and industrial establishments in vicinity of Kunming, Yunnan, by:
 - a. Local operation of pursuit airplanes.
 - b. Counter-offensive operations of bombardment airplanes.

Strategical Objective:

To force the Japanese to divert a portion of the air force now available for expeditionary use to the defence of his bases in Indo-China and counter-offensive operations in Yunnan province.

Time Schedule:

1. The 100 pursuit airplanes, P-40 type, may begin initial operations early in July, 1941.
2. The 100 bombardment airplanes, Lockheed Hudson type, and 100 pursuit airplanes, P-43 type, may begin operations early in September if the airplanes of both classes are made available without delay.

Second Phase

Airplanes Required:

1. Maintenance of initial strength of:
 - a. 100 pursuit, P-40 type;
 - b. 100 pursuit, P-43 type;
 - c. 100 bombardment, Lockheed Hudson type, by regular monthly replacement of losses.
2. Provision of additional airplanes of following classes, types, and numbers:
 - a. 100 pursuit, P-43 or P-47.
 - b. 50 pursuit, P-39.
 - c. 50 bombardment, Lockheed Hudson, B-26 or B-23.

[4] *Volunteer Personnel:*

1. Increase volunteer personnel as follows:
 - a. Pilots, 150 additional.
 - b. Technical, clerical, 250 additional.

Tactical Objectives:

1. Defence of all establishments in Yunnan province.
2. Attack Japanese air bases in Indo-China and on Hainan Island.
3. Attack Japanese supply dumps in Indo-China and Hainan Island.
4. Attack Japanese supply vessels, transports, tankers, and small naval vessels in harbors of Indo-China and Hainan Island and at sea between those places.
5. Occasional raids on Japanese industrial establishments in Japan.
6. Attack Japanese supply vessels on Yangtze River.
7. Support of offensive operations of Chinese armies.

Strategical Objectives:

1. Force diversion of considerable portion of available Japanese air force to defence of Japanese establishments on South China coast and in Japan and to counter-offensive operations in interior of China.
2. Enable Chinese armies to assume operations which will make necessary heavy reinforcement of Japanese troops in China.
3. Destruction of Japanese supplies and supply ships in order to handicap operations of an expeditionary force to the south of Indo-China.
4. Destruction of Japanese factories in order to cripple production of munitions and essential articles for maintenance of economic structure in Japan.

Time Schedule:

1. The increase of the air force from 300 to 500 airplanes (350 pursuit and 150 bombardment) should be completed by October 31, 1941.

When the railway between the Burma Road and Siang Yun is completed, and this could be effected by June, 1942, sufficient carrying capacity would be amply provided for the maintenance in the field of 1,000 combat planes, or indeed any strength it is desired to build up to.

Table of approximate distances in statute miles

	Kun- ming	Kweilin
Hainan (Kiungchow).....	610	380
Formosa (Taihoku).....	1,190	720
Paracels Island.....	800	590
Hanoi.....	335	430
Saigon.....	1,025	1,055
Bangkok.....	805	1,045
Siam-Malaya border line.....	1,340	1,520
Singapore.....	1,655	1,750
Manila.....	1,400	1,030
Soerabaja.....	2,360	2,300
Calcutta.....	950	-----

	Chu- chow	Heng- chow	Kan- chow	Kian	Manila
Nagasaki.....	730	1,150	1,060	1,020	1,460
Kobe.....	1,060	1,485	1,410	1,360	-----
Osaka.....	1,085	1,510	1,435	1,385	1,780
Tokyo.....	1,355	1,780	1,690	1,645	2,010

December 4, 1940

Revised April 23, 1941.

The importance of Singapore to the defense of the British Isles and the British Empire and to the interests of the United States

1. The importance of Singapore to the immediate defense of the British Isles lies in the fact that any major naval power based in Singapore could command the Indian Ocean and the maritime routes of access to the raw materials and man-

power of India, Malaya, and most of the Dutch East Indies. While the British Isles could perhaps carry on without access to these materials and to this manpower, the effect of such a loss upon the economic and financial resources of the British Isles—would be considerable. Such a loss by seriously weakening our own economy (rubber, tin, jute, quinine, vegetable oils, tungsten, antimony, mica are among the supplies that might be lost to us) would adversely affect the extent of our economic aid to the British Isles.

2. More important, the British Isles cannot carry on in a defensive position for an indefinitely prolonged period. However strong defensively, they must in time succumb unless a sustained offensive can successfully be launched against Germany. It is from this point of view [2] that Singapore assumes its greatest importance in the defense—as directed to ultimate survival—of the British Isles; i. e., the *long-term defense of the Isles*.

From point of view of ultimate offensive action against Germany, the Eastern Mediterranean and the Near East are areas of major and of obvious importance affording as they do (1) the key to an invasion of Europe through the disaffected occupied countries of the Balkans or through a weakened and perhaps collapsing Italy and (2) a possible means of once more bringing into action against the Axis the French forces in Syria and in North Africa. The significance of Singapore to the defense of the British position in the Near East lies in its domination of the only remaining effective lines of communication for the supply of materials and troops to that area. If these Japanese gained possession of Singapore it would seem that they could not only control Malaya and the Netherlands East Indies but most or all of the Indian Ocean as well. (See attached summary of distances from Singapore to various points.)

Troop reinforcements for the British forces in the Near East come from Australia, New Zealand, India, Burma, South Africa and/or the British Isles. Supplies for these forces come from some or all of the foregoing areas and/or [3] from among the following: Malaya, the Netherlands East Indies, and the Western Hemisphere. As British naval power cannot ensure uninterrupted passage of the Mediterranean by British transports or by British merchant vessels (even though the increasingly doubtful assumption be made that the Axis powers will at no time during the war be able to close the Straits of Gibraltar), the only sure (for the present) route of access to the Near East from the areas named above is via the Indian Ocean to the Gulf of Aden and the Red Sea.

3. It must also be remembered that one of Britain's major weapons against Germany is the blockade. The rôle of Suez and of the Eastern Mediterranean in the enforcement of the blockade is readily apparent. Singapore's rôle is hardly of less significance. The regions of the Indian Ocean and of the Pacific eastward and southward and northward from Singapore are vast reservoirs of supplies. While Great Britain controls the routes to those reservoirs, Germany can be kept in larger measure from drawing on them. Should Great Britain lose that control, not only would the British Isles be deprived of those supplies but those supplies would in substantial measure be made available to Germany—via the Persian Gulf and the Caspian and via Vladivostok. In the event of loss by the British both of [4] Singapore and of their position in the Near East, the Axis Powers would have direct and full access to each other and these supplies could, therefore, be made *directly* available to Germany with the result that all effectiveness of the strategy of the blockade would be lost.

In brief, were Singapore to be taken by Japan, Great Britain's tasks, both of (1) defending the British Isles and of (2) winning the war, would be rendered vastly more difficult and her chances of survival be greatly diminished.

4. Singapore is, furthermore, important from point of view of more obviously direct interests of the United States. Were Singapore to fall, the blockade of China (except for the inadequate and unreliable northwest route from Russia) could be made complete and the defeat of China by Japan would be facilitated. The control over the natural resources of the South Seas area which Japan would acquire if it took Singapore has already been indicated. Our own position in the Philippines—a far more valuable possession both economically and strategically than is usually recognized—would, of course, be strategically prejudiced.

It is in its effect upon China's resistance, however, that the fall of Singapore to Japan would most [5] conclusively affect (adversely) the direct interests of the United States (other than and in addition to our interest in survival of the British Empire). Were China to succumb we would be less able than now to protect our interests in the Far East. Our historic Far Eastern policy and our whole position in the Far East would be seriously compromised.

Not the least of the disastrous results of China's defeat would be a serious drop, as a result of such a blow to our prestige, in popular morale in this country and in the morale of the peoples of South America. The only remaining counterweights to the power and influence in the Far East of Japan would be those of Russia. With the collapse of China, Japan would be master in East Asia and in the South Seas, and Japan would be able to draw freely upon China's natural resources and manpower. The security of Australia and New Zealand—to both of which we are bound by increasingly strong ties—would be endangered. In addition, Japan's access to the great economic resources of India would be definitely facilitated and Japanese political influence in India would increase.

The increase in Japan's strength vis-à-vis the United States which would result from these various developments would be notable, and Japan's ability to challenge our [6] economic (and before long our political) position in Central and South America would be vastly increased. At the same time, our general commercial and strategic position would be considerably weakened—by our loss of the Chinese, Indian and South Seas markets for our exports (and by our loss of much of the Japanese market for our goods, as Japan would become more and more self-sufficient) as well as by inevitable restrictions upon our access to the rubber, tin, quinine, jute, tungsten, tung oil and other vital materials of the Asian and Oceanic regions.

5. It has been suggested that Japan would be only too glad to sell to the British and to us the products of the region, and that in fact, therefore, our (and the British) economic situation would not be adversely affected. The fate of British and American trade in Manchuria and in North China is persuasive evidence that our (and British) export trade would certainly suffer. Whether Japan's ability to dictate the terms upon which we could acquire rubber, tin, and other products would also prove harmful to us in *times of peace* need not concern us. The *present* and the *immediate futures* are *times of war*, and in the war that is raging not only is Japan an open if nonbelligerent partner of Germany and Italy but the United States is openly aiding Great Britain and China.

[7] Japan must—while and so long as she is an ally of Germany—aid Germany in the latter's attempt to destroy the British Empire, and toward that end Japan must give support to Germany's attempts to hamstring the British in their operations—both general and particular—of resistance. Consequently, were Japan to acquire control of Singapore (i. e. control of the key ways to the vast natural resources of Asia and the South Seas) it could not with any warrant be expected that she would freely sell to the British or to us—we being Britain's greatest armorer and supplier—what we severally and jointly need (with our expanding requirements) of the strategic materials of the Orient.

6. There is little if any warrant for the view, rather lightly advanced in various quarters (and made without consideration of the above-enumerated reasons why successful Japanese aggression southward would make Germany's defeat far less likely), that, if and when Germany shall have been defeated, it would be an easy matter for Great Britain and/or the United States to put Japan out of any advanced positions which Japan may or might have taken while British and American attention and efforts were concentrated upon problems in the Atlantic and in Europe. Were the Japanese during the present war to occupy Singapore without having had to pay a huge [8] price, the Japanese Empire would be at the end of the war a very different entity from that which it is today, an entity much more powerful in a military sense than it is now. Is there any warrant for an assumption that at that point the British would be so powerful that they would and could move with success against such a Japan as would then exist? It may well be doubted, also, whether the people of the United States would at that point be willing to embark upon far-flung overseas operations for the mere purpose of driving the Japanese out of points in which they had established themselves on the western side of the Pacific.

DISTANCES FROM SINGAPORE TO VARIOUS POINTS, IN STATUTE MILES BY GREAT CIRCLE MEASUREMENTS

West coast of Ceylon—1,700 miles.

(Note: If Singapore could not be defended, certainly Ceylon could not be— from Colombo to the mouth of the Gulf of Aden it is 2,000 miles and from Colombo to the northwestern tip of Sumatra it is 1,100 miles. Furthermore, Italian East Africa would be available for minor bases, thus permitting the distances from Colombo to the coast of Italian East Africa—2,000 miles at the mouth of the Gulf of Aden; 2,700 miles at the frontier between Kenya and Italian East Africa—to be halved. Bases at Singapore, Sumatra, Colombo and Italian East Africa would give Japan control of the Indian Ocean with consequent ability to blockade India and to cut all communications to the Gulf of Aden.)

Mouth of Gulf of Aden—3,700 miles.

Northwestern point of Australia—1,800 miles.

(From Java, which is controlled by Singapore, the distance is 1,200 miles.)

West coast of Borneo—400 miles.

Southern tip of French Indochina—450 miles (thus controlling Gulf of Siam)

Jolu in Sulu archipelago of Philippines—1,250 miles.

China Folder

file
ConfidentialTelegram from General Chiang Kai-shekDated July 8th, 1941

From most reliable sources originating from Japan it is learned that a secret agreement has been concluded and signed between Germany, Italy and Japan on the 6th of July, covering on the one hand recognition of Japanese spheres of interest, and on the other Japanese undertaking to advance southward and against Siberia. Please communicate the news to the President immediately.

Since the outbreak of the Soviet-German war, the Soviets have repeatedly expressed their desire to conclude definite military agreements with us against Japan. Will you ask the President to be ready to consider such an agreement, and if the situation is favorable for a military pact between China, Russia and the United States, the friendly support of the United States.

Confidential

Telegram from Minister of Communications

Dated July 8, 1941

The Government has secured definite information that the recent Japanese Imperial Conference made the decision to move southward against Singapore and the Dutch East Indies first before coping with the Siberian problem.

In accordance with this information all departments of the Government have received instructions from the Generalissimo to take immediate measures to meet this action.

Confidential

~~CONFIDENTIAL~~

~~Delivered to the British~~

~~London, Dec. 1, 1941~~

Replying to your telegram No. 19 during Matsuoka's visit to Berlin although understanding was reached as to the respective spheres of interest and responsibilities the three Axis partners were unable to agree on the tempo of action. Germany and Italy desired immediate Japanese advance southward to which Matsuoka would not agree owing to the then prevailing situation.

I now learn that since the outbreak of the Russo-German conflict complete agreement has been reached which calls for early action against Vladivostok by Japan, simultaneous with consolidation of Japanese bases in Indo-China and Thailand preparatory to an advance southward against the British and the Dutch.

Our friends here declare that we should be by no means discouraged by developments and hope that you may still be able to visit Switzerland.

Owing to the severance of diplomatic relations I am routing my telegram through Switzerland. I am proceeding there myself and hope to maintain contact with our friends from there.

Confidential

100-100000
100

*File
Final*

LETTERS TO CHARLES WOODS FROM JOHN L. LEWIS

CHICAGO, July 24, 1938.

ENCLOSING TO YOU HEREBY SEND...
COMMISSIONER...
JULY 24, 1938...
REMARKS...
...
...
...
...
...

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.



DEPARTMENT OF STATE
WASHINGTON

August 7, 1941.

MEMORANDUM FOR THE PRESIDENT

There is enclosed a copy of a telegram addressed to you by General Chiang Kai-shek under date of July 31, 1941, together with a copy of a note from the Chinese Ambassador, dated August 2, forwarding a copy of the telegram in question. As General Chiang's message, in which he conveys to you his gratitude for your having acceded to his request to place Chinese assets in this country under freezing control, refers to other requests which he has made in the interest of strengthening China, it seemed advisable that reply should be made to his telegram without awaiting your return. I accordingly sent today a reply to General Chiang by telegraph through our Embassy at Chungking and enclose a copy of my telegram herewith. I trust that my reply meets with your approval.

Enclosures:

1. From Chinese Ambassador, August 2, with enclosure.
2. To American Embassy, Chungking, August 7.

*China Files
1-41*

*file
personal*

[Handwritten signature]

CHINESE EMBASSY,
Washington, August 2, 1941.

HONORABLE SUMNER WELLES,
Acting Secretary of State

MY DEAR MR. SECRETARYS I have just received a telegraphic message from Generalissimo Chiang Kai-shek which he desires to be conveyed to the President. I shall be grateful if you will be so good as to transmit it to its high destination.

I am, my dear Mr. Secretary,

Very sincerely yours,

HU SHIH.

Enclosure: Telegram as above.

Translation

TELEGRAM TO THE PRESIDENT OF THE UNITED STATES FROM GENERALISSIMO CHIANG KAI-SHEK, CHUNGKING, JULY 31, 1941.

MY DEAR MR. PRESIDENT: I am most grateful to you for having acceded to my request to place all Chinese assets under freezing control. This is additional evidence of your desire to assist China in every possible way, and is appreciated by the Chinese people in that spirit.

I am sure that the action of your Government in freezing all Japanese assets will prove an important body blow to the aggressor.

The Chinese Government is sincerely grateful to you and your Government for having brought about concerted action, on both these measures, by practically all the friendly powers who are fighting aggression.

I am confident that my other requests which I have made to you in the interest of strengthening China's fighting power and meeting the emergency situation of the Far East, will receive your kind attention at the appropriate time.

CHIANG KAI-SHEK.

X X

NAVAL RADIO
AUGUST 7, 1941.

AMEMBASSY,
Chungking.

Please inform General Chiang Kai-shek that the Chinese Ambassador promptly delivered to me for communication to the President General Chiang's gracious expression of appreciation of this Government's action in freezing Chinese assets in this country pursuant to General Chiang's request. State further that the communication will be promptly conveyed to the President, who is absent from Washington at this moment; and that, speaking for the President, I reaffirm that it is the desire and purpose of the people and Government of the United States to aid China in concrete ways in the struggle which the Chinese Government and the Chinese nation are most courageously making to preserve and maintain China's place and perform China's function as one of the great independent nations of the world.