At the present time the influence of the extremists goes up and down depending on the course of the wor in Howlo.

The same bill of goods, regarding the necessity of making some concession to the "moderates" in order to canble them to cope with the "extremists" has been offered to the United States since the days when Stinson was Secretary of State and Debuchi Ambaniquer.

Present seports are that the new cabinet to be formed will be no better and so werse than the one which has just falles. Japan may attack Russia, or may more sentleward, but in the final analysis this will be determined by the military on the busis of opportunity, and what they can get away with, not by what cabinet is in power.

/S/ R. E. SCHETERANN.

EXHIBIT No. 39

[1]

SECRET

In reply refer to Initials and No. Op-10D-MD

NAVY DEPARTMENT, OFFICE OF THE CHIEF OF NAVAL OPERATIONS, Washington, November 14, 1941.

DEAR MUSTAPHA: This is in answer to yours of October 29, November 6 and 7, 1941. It was fine to hear from you and to learn that you are going strong.

I have not been able to get very much definite information about Mr. Hallet Abend. I am enclosing a copy of a memorandum which Public Relations has given me about him. I am told by an officer who recently returned from the Asiatic Station that he enjoyed a good reputation as a correspondent out there. This same source stated that the Japs had beaten him up in Shanghai and destroyed a manuscript of a book he was about to submit to his publishers.

I had previously seen the clipping from the New York Times, which you sent me, the authorship of which is credited to Mr. Abend. The way the yarn was written, one could easily spot it as a "phoney".

Just what we will do in the Far East remains to be seen. Attached hereto is a copy of our Estimate, which was recently submitted by General Marshall and me to the President. You can see from it our ideas on the subject. Whether or not our advice will be followed remains to be seen.

If Mr. Churchill's speech of Monday last, given at the Lord Mayor's house, is the expression of British policy, it would seem there might be considerable truth

in the information given to you by Mr. Abend.1

Your estimate of the Japanese bases and forces in the Mandates has been received in the Department. It will be carefully studied. From a hasty examina-

tion, it appears to be a very complete paper.

I have taken up with Van Keuren the subject of the listening gear for the ships you listed in your letter of November 6. Like Radar, the delay in getting this gear was caused by getting or, rather, not getting into production. At last, we are "over the hump" and [2] listening gear is coming on rapidly. Deliveries are underway, and four (4) or five (5) sets will go to Pearl Harbor by each ship from now on. By mid-December you should have received about 22 sets. Of course, you can divert these for installation as you see fit.

With regard to the VSO's going to the Asiatic. These will go out, crated, in a merchant ship. Instructions to do this have been issued to Com. 12. You should

receive a copy of the order to do this in due time.

Regarding your comments about the desirability of having flight deck merchant ships for use in training aviators for carrier duty:-I agree with you 100%. The trouble is that we just can't get the ships to convert into carriers. The converted SS MORMACMAID (now the USS LONG ISLAND) is far from satisfactory. She should have twenty (20) knots and actually hasn't sixteen (16) knots. She just doesn't have speed enough. She can be operated if conditions of wind are such as to give her the required apparent wind across the deck. Unless this condition prevails, she is almost worthless as a carrier.

<sup>&</sup>lt;sup>1</sup>These paragraphs are privileged and "must not be disclosed without the "EXPRESS AUTHORITY OF SECNAY."

Incidentally, five (5) of this type are being converted in our yards for the British under Lend-Lease. The large fast ships which we now have and which could be converted for the duty you have in mind are currently engaged in an important mission (transporting British troops to the Middle East—obviously most secret) and will be so engaged for a number of months. I would give a lot if we had those ships now converted to carriers and fully equipped for combat purposes.

The only other ships under U. S. registry out of which we could get twenty (20) knots (if we had them) are the four (4) Matsons and the three (3) Moore-McCormicks now engaged in the South American run. We have had our eye on the NORMANDIE. Thus far, State Department and President are adamant. I suppose they think that to take her over would, in some way, drive Vichy closer to Germany. All in all, a dismal picture for the converted carrier idea prevails.

The General Board has recently completed a study on Guam. I am enclosing a copy of this paper for your study. I would appreciate getting your reaction to it. Of course, if Guam were fortified and developed at the moment, we could make much use of it. One item to which I have been giving much thought and upon which I would like your advice—What do you think of going ahead now with the construction of a landing field out there? The thought I have is that we could construct such a field which might be of service to us. To be sure, we might lose it, but we could build into it provisions for its at least temporary destruction.

[3] The next few days hold much for us. Kurusu's arrival in Washington has been delayed. I am not hopeful that anything in the way of better understanding between the United States and Japan will come of his visit. I note this morning in the press despatches a listing of a number of points by the Japan Times and Advertiser upon which concession by the United States was necessary for the "solution of the Pacific Crisis." Complete capitulation by the United States on every point of difference between the Japanese and this country was indicated as a satisfactory solution. It will be impossible to reconcile such divergent points of view.

With all good wishes! Keep cheerful. Sincerely,

BETTY.

Admiral H. E. Kimmel, U. S. N., U. S. S. Pennsylvania, e/o Postmaster, San Francisco, California.

The interested party, Admiral Harold R. Stark, U. S. N., respectfully directs the attention of the Court of Inquiry to Exhibit 39 which is a personal letter dated 14 November 1941 from Admiral Harold R. Stark, U. S. Navy, to Admiral Husband E. Kimmel, U. S. Navy. The interested party considers that this letter contains certain matters coming within the purview of Section 261 (a) of Naval Courts and Boards which provides that a witness may be privileged with respect to certain testimony, and among the principal cases of privilege are:

"(a) State secrets.—This class of privilege covers all the departments of the Government, and its immunity rests upon the belief that the public interests would suffer by a disclosure of state affairs. The scope of this class is very extended, and the question of the inclusion of a given matter therein is decided by a consideration of the requirements of public policy with reference to such matter."

If the interested party had been asked to read this letter into his testimony, he would have declined as a matter of personal privilege involving the disclosure of state secrets to read the following:

The second, third and fifth paragraphs on page 1.

The interested party respectfully requests that this statement be conspicuously attached to the copy of Exhibit 39, which the Judge Advocate purposes to place in the secret files of the Navy Department.

The interested party considers that the disclosure of the parts of his letter mentioned above would be detrimental to the interests of the United States and contrary to public policy.