

Ann - Polesar's Folder 26 November 1956

MEMORANDUM FOR: []

Subject : RIA, TATSUMI Eiichi

1. The attached RIA on TATSUMI Eiichi reflects a philosophy with which I am reluctant to associate myself. While I am an ardent supporter of the idea of thorough investigation of all persons with whom CIA is in any operational contact, I believe that it is our duty as desk officers to support the field while at the same time providing CI/OA with all the facts available omitting irrelevant material.

2. In the case at hand, for example, in the relation cited in the TATSUMI, FURUYA, KASHIMA situation the facts should be placed in their proper perspective. CIA had begged, pleaded, and cajoled FURUYA into undertaking operations against the ChiComs. After months of effort on the part of CIA, FURUYA finally came up with a suggestion which it developed had originated or been sponsored or suggested by TATSUMI, who, it must be remembered, had been a CRC advisor long prior to FURUYA's association with CRC. It took CIA some time to marshal its information re KASHIMA and the proposed operation and the debunking process was comparatively slow in getting started. FURUYA's reluctance to cancel the plan came as much if not more from (1) our incessant pushing for joint ops in China, (2) our slowness to provide him with any information, and (3) his pride in coming up with any possible joint ops idea, than it did for any high esteem we might hold for TATSUMI. On the other hand, a person of TATSUMI's background (all things considered) of necessity stands high in the eyes of a person new in intelligence as opposed to the police field, particularly when in FURUYA's eyes CIA had yet to be proven. Therefore, I cannot attach too much importance to the story as told in this memo.

3. The role I see for this Branch vis-a-vis CI/OA in seeking OA's at the field request is one of providing the expertise that CI/OA lacks. We should be in a position to at least judge the pertinence of all info at hand and should be able to say to CI/OA that we have judged from the available info that a subject is or is not appropriate. We should not simply present the problem to CI/OA and leave the entire judgment up to them. They can never have sufficient expert staff to provide this function on a world-wide basis and we have to perform a role for them as we do for the field. In this case, I believe, we should say in conclusion, not that more study should be done (CI/OA will naturally do that), but rather despite all the information supplied we believe TATSUMI should or should not be approved or approved with reservations such as continuing field surveillance of his relations with certain suspect Chinese. It is, furthermore, up to us, I believe, to weigh TATSUMI's value to CIA against the possible risk involved and let CI/OA know what we think.

4. Another point of concern to me is the necessity of carefully considering, in each individual case, the use of a person for whom an OA is

sought. If we request approval for a person whom we intend to use as a PA then every shred of information we can garner becomes important. If, on the other hand, we believe that a person may become cognizant of a relationship between his agency and CIA (K] is a case in point) then we can afford to be far more lenient. We should consciously think every time we make a request for an OA just what the subject of that request will do for CIA, whether he fits into the relationship of an agency or an operation. I have seen no information which would indicate that we contemplate a direct relation with TATSUMI nor anything going beyond a CI approval of an existing situation. Hence TATSUMI's relations, real or only suggested, do not seem to me to carry the weight assigned them in this memorandum. Isn't it just barely possible that TATSUMI's relations with certain Chinese were Willoughby directed and continued by Rinalducci - do our files reflect only what is stated in this memorandum on this relationship? Have we attempted to find more? Should we make such an attempt?

5. Finally I would like to record a warning relative to the credence which can be placed in information supplied by the 441st CIC Det. This CIC Det., and I speak from 10 years of experience, reported almost everything it heard on almost any subject. One result is that, in my opinion, we should examine carefully any report from this source and be as sure as possible of the context from which the report stems before associating ourselves too closely with it. In this TATSUMI case I feel confident we could possibly obtain from other G-2/FEC files a mass of evidence to show that General TATSUMI is probably one of the best, safest, most qualified persons in Japan today for CIA use. I say "possibly obtain" only because such files are in the custody of Lt. Col. Rinalducci and not in the regular G-2 files.

6. I cannot approve this RIA in its present form.

Attachment to Request for Operational Approval, 15 November 1956

TATSUMI Eiichi

The following is data on Subject's post-war activities which may be interpreted as derogatory:

At the end of the war, Subject, Commander of the Third Division in Central China, had been transferred to Shanghai. In order to avoid being held in China, he agreed to direct a network of Japanese who would provide intelligence to the Chinese Nationalists, and then recruited DOI Akio.¹ Under the auspices of the Second Section of the Ministry of National Defense, two "anti-Soviet" groups were formed, one headed by DOI to work from headquarters at Shanghai, and the other headed by TATSUMI to work in Japan under the Chinese Mission in Tokyo.² Under these arrangements, TATSUMI was repatriated about June 1946, and the following October contacted WANG Wen-sheng who is said to have just joined the Chinese Mission in Tokyo.³

While TATSUMI was employed by the 2nd Department of the China Ministry of National Defense in Tokyo, DOI, his counterpart, headed the Japanese Section of the Shanghai Branch of the International Problems Research Institute. This organization, established by WANG Peng-sheng, had been incorporated into the 2nd Department of the MND after the war.⁴

In 1946, the same year TATSUMI was repatriated and began contacting the Chinese Mission, HSIEH Han-kuan, Secretary of the International Problems Research Institute under WANG Peng-sheng, was, on WANG's recommendation, assigned as an intelligence officer to the Chinese Mission, Tokyo.⁵

Meanwhile DOI was apparently closely associated with WANG Peng-sheng, having been described as "living luxuriously" with WANG in Nanking in 1947.⁶

When TATSUMI arrived in Japan in 1946, he began to make contacts with a number of Japanese who, before his departure from China, had been recommended to him by DOI as intelligence prospects. Among these individuals were HAYASHI Saburo, KOTANI Etsuo, NISHIMURA Foshio, OHROUCHI Hirose (), SHIRAKI Sumari, YASE Chuta (), and YAMAMOTO Bin.⁷ Working for the 2nd Dept. MND through the Chinese Mission, he was probably also in touch with HSIEH Han-kuan.⁸

In March 1947, WANG Peng-sheng was assigned to the Chinese Mission in Tokyo. He became head of the Intelligence Section at the Mission.⁹ DOI Akio was smuggled into Japan in September 1947 and hidden at the Chinese Embassy.¹⁰ While DOI was in hiding, TATSUMI passed to DOI's wife the living expenses which the Chinese Mission was furnishing her. During the year that DOI was in hiding at the Mission, TATSUMI was providing intelligence to the Mission.¹¹ According to a report from () (based on () observations and TATSUMI's statements), this activity for the Chinese Mission was for various reasons unsuccessful, and about the end of 1947, TATSUMI was recruited for US G-2.¹²

The DOI/TATSUMI relationship continued to be close. In 1948, using his connection with General WILLOUGHBY, TATSUMI appealed for DOI's official repatriation and in December 1949 DOI was officially repatriated.¹³

In 1950, DOI became a member of TATSUMI's organization, the KAWASE Kikan, formed by TATSUMI in 1948 at the request of General WILLOUGHBY and named for KAWASE Torashiro who is alleged to have been the "front man" of the organization.¹⁴ In 1951, [] said the DOI/TATSUMI relationship was very close, that TATSUMI told him that he (TATSUMI) personally handled DOI for the KAWASE Kikan.¹⁵

In 1951, TATSUMI was described as being "more involved with US and Chinese intelligence activity than could be specifically identified in his present work for 3-2 SCAP."¹⁶

In 1952, on the other hand, [] reported that TATSUMI had no official relations with the Chinese since the dissolution of his intelligence organization (for the Chinese Mission) in 1947.¹⁷

Yet in 1952 TATSUMI was still in close touch with DOI who was still visiting the Chinese Embassy, and who appeared to be supporting the activities of a so-called "Third Force" group led by LI Tsung-jen and CHEN Ching-fu, head of the Chinese Democratic Alliance.¹⁸ DOI also appears to have participated in Formosan operations of the Japan branch of WANG Peng-sheng's International Affairs Research Institute, the Far Eastern Affairs Research Institute.¹⁹

What is significant in the above data is the background of the Chinese "Nationalists" with whom TATSUMI and DOI were cooperating. After his death, WANG Peng-sheng was reported to have been a communist.²⁰ HSIEH Han-kuan, Secretary of WANG's Institute, who was employed at the Chinese Mission as an intelligence officer had a long background of Communist activity, and was finally released from the Chinese Mission for leftist activities. HSIEH who had been giving direction to the Far Eastern Affairs Research Society at least as early as 1949, joined the organization officially when it had become Jonan Enterprises.²¹ DOI was liaising with Jonan through HUAN Wen-shen, HSIEH's subordinate, and believed to be the communist KAN Wen-feng.²² (The Formosan Activities of Jonan Enterprises were directed by HSIEH Han-kuan who was leader in Japan of the Peiping sponsored Taiwan Democratic League.)²³

It is possible that TATSUMI and DOI are involved in JIS DiCom targeted activity (penetration). It is also possible that they are JIS cooperating with the ChiComs. Unfortunately most of the data on TATSUMI comes from persons who are in close cooperation with him and thus likely to cover for him. An incident which might, however, shed light on the motives of TATSUMI or on those of [] (MURAKA Toru) is the persistent attempt of MURAKA Toru to sell KYBANK a proposal involving the use of KASHIMA Sojiro & YOSHIDA Toru as a principal agent in an operation against Communist China. KASHIMA was to go to SACAO apparently to contact his sources of information there. Even when informed

KASHIMA was thrice arrested as a young Communist, had participated in Communist activity during the war, and has recently been under investigation for smuggling activities. FURUYA insisted that since MASUMI controlled KASHIMA and MASUMI felt KASHIMA was reliable, we should use KASHIMA in our joint operations with CRC.²⁴

What is particularly interesting is that in 1947 KASHIMA was reported to be connected with the research Institute of International Affairs.²⁵ This organization is also called the International Problems Research Institute founded by WANG Peng-shang and mentioned above.²⁶

On 19 March 1956, ATSUMI and General IZUMIDA (Kisoshi) Managing Director of the LAIKO KAI (former Army Officers' Club), decided to recommend Lt. Gen. DOI (Akio) and a Maj. Gen. MASUMI to the Delegation of Former Militarists to visit Communist China.²⁷ The background of this report is pertinent in pointing up again a lead back to HUIEH Han-kuan. When ENDO Saburo visited China with MASAYAMA Tetsu in the fall of 1955, MAO Tse-tung invited ENDO to visit China again with a group of former Japanese militarists. After returning to Japan, ENDO set up the Organizers Society for a Delegation of Former Militarists to visit Communist China. ENDO discussed the trip with KUO Mo-jo when latter was in Japan (December 1955), and gave the latter certain terms regarding the visit including a request that twenty former servicemen be selected by the "Japanese side" to make the trip. After ENDO returned to China, ENDO received a personal letter from HUIEH Han-kuan stating that Communist China would like a delegation of thirty former ex-servicemen to visit the country with all expenses paid. On the 16th of March, ENDO received a formal letter inviting the delegation to visit China; this was a follow-up of the letter from HUIEH. The formal invitation came from CHANG Hsi-jo, Chairman of the Peoples' Council on Diplomacy of Communist China. ENDO's group (apparently the Organizers Society for the Delegation) met and decided to pick ten from among themselves and ten from three other servicemen's organizations. The selection was left entirely to ENDO. DOI Akio and Maj. Gen. MASUMI of the Cabinet Research Chamber were recommended by MASUMI and Gen. IZUMIDA of the LAIKO KAI.²⁸

Although HIRUYA () remarked that DOI may not be acceptable to Communist China because his identity as an intelligence officer is too well established, DOI would hardly have been unwelcome to HUIEH who was WANG Peng Sheng's subordinate at the Chinese Mission and leader in the Jonan Group with which DOI liaised through HUIEH's subordinate, IZUMI Han-shan. (DOI visited the office of US Air Force Intelligence in Tokyo on 6 August 1956 prior to his departure to Communist China with 15 ex-Japanese Army and Navy officers. DOI, scheduled to leave on 9 August, promised to pay another visit to the Air Force Intelligence office and to report on his trip.)²⁹

The above data indicates at least a need to further study the political orientation of the Chinese with whom MASUMI and DOI appear to have been cooperating, and to determine MASUMI's relationship with these Chinese.

1. ZJJ 56, 28 Mar 52, [] B-2.
2. ZJJ 26, 29 Feb 52, [] ZJJ 56, () (ONOUCHI Hirose) from personal observation and TATSUMI's own statements.
3. ZJJ 56, 28 Mar 52, [] (see above #2).
4. IEX 2713, Peiping, Oct 46, B-2; LCP 372 and 272a, 4 Mar 47, Peiping, B-2.
5. FJDA 2285; IR-W/R-100, 25 June 47.
6. ZCS 1051, 10 Dec 47 and ZJTA 47, 6 Jan 48.
7. See #3.
8. See #5.
9. ZCS 1051, 27 Mar 48.
10. FJBA 1120, 13 Jul 54; ZJJ 26, 29 Feb 52, ()
11. See #2 and #10.
12. ZJJ 56, 28 Mar 52, () from our observations and TATSUMI's statements.
13. ZJJ 26, 29 Feb 52, B-3, ()
14. See #12 and FJBA 1120, 13 Jul 54.
15. HAGO 044, IN 28459, 18 Sept 51; HAGO 043, IN 28150, 16 Sept 51, Top Secret on TATSUMI/DOI relationship.
16. Assessment of Staff Office, ZJYW 2684, 29 Mar 51.
17. See #12.
18. Names appear on Feb 52 issue of magazine Democratic Front.
19. DOI was named among those in charge of student volunteers for Formosa in Shinso magazine, 15 Feb 50. This magazine is JCP backed, however, the names given check out with other available data. Persons named were members of Far Eastern Affairs Research Society or Institute. HSIEH Han-kuan, known communist lead FEARS operations directed toward Formosa. SHIRSO gave no indication the persons named were an anti-CHIANG group. (HSIEH was leader in Japan of the Peiping sponsored TAIWAN DEMOCRATIC LEAGUE.)
20. Monthly Counter-Intelligence Summary, 15 Jul 49.

21. FJJA 515; SO 63268, SO 67296; SO 79412; SO 77031 and GS 31360; see also FOFAY diaries and reports.
22. ZJL 714, 13 Sept 51, R-2. Background data on KUAN Wen-shan and KAN Wen-fang have been compared. China desk concurred on probability KUAN and KAN was one person.
23. See #20.
24. FJBA 9120, 9 Mar 56, []

This same report further explains that in connection with the Cabinet Research Chamber's operations against the Chinese Communist, KOBAYASHI Masao [] mentioned that LI Tsung-jen was involved. In 1952, LI Tsung-jen, as mentioned in text of this paper, edited the magazine Democratic Front, a publication of CHEN Chang-fu's Chinese Democratic Alliance. DOI A-10's name appeared with that of another sponsor on the Feb 52 issue of that magazine. LI is also the person for whom the communist HSIEH Nan-kuan intercoded with Prime Minister YOSHIDA, suggesting that while YOSHIDA was in the US signing the Peace Treaty he could have a conference with LI. (HONG 1418, IN 25256, 30 Aug 51) LI has more recently been contacted by MATOYAMA Ichiro. (See MATOYAMA dossier) LI represents himself as an advocate of a "Third Force"; he has been reported cooperating with the Chinese Communists.

25. ZORW 24, 4 Aug 47.
26. See attachment to ZITA 47, J-2, JHQ Inter-Office Memorandum, 24 Dec 47.
27. FJBA 9530, March 1956, Pr []
28. FJBA 9530, March 1956 and FJB 2061, which is based on foregoing reports, including pertinent comments.

Former Lt. Gen. ENDO was one of the fifty-seven Japanese invited by the World Peace Council to attend the extraordinary general meeting to be held in Berlin. (Tokyo, Akabata, FBIS #98, 20 May 54.) He was also present at the initial meeting of the League for the Restoration of Diplomatic Relations with Communist China and the USSR. (Tokyo, Lyodo, 17 Oct 54) In December 1954, he was appointed Vice Minister of Finance under the new MATOYAMA Ichiro Cabinet. (FBIS, 14 Dec 54) In 1955, he was included in the good-will mission to Communist China of the Peoples' League for Safeguarding the Constitution. (FBIS #203, Tokyo, Lyodo, 17 Oct 55) An ENDO Saburo was listed as a known member of the Japanese Communist Party in the FBG/MIS Summary on JCP membership, 1 Nov 49.

29. ZAF IN 65031 (9 Aug 56)