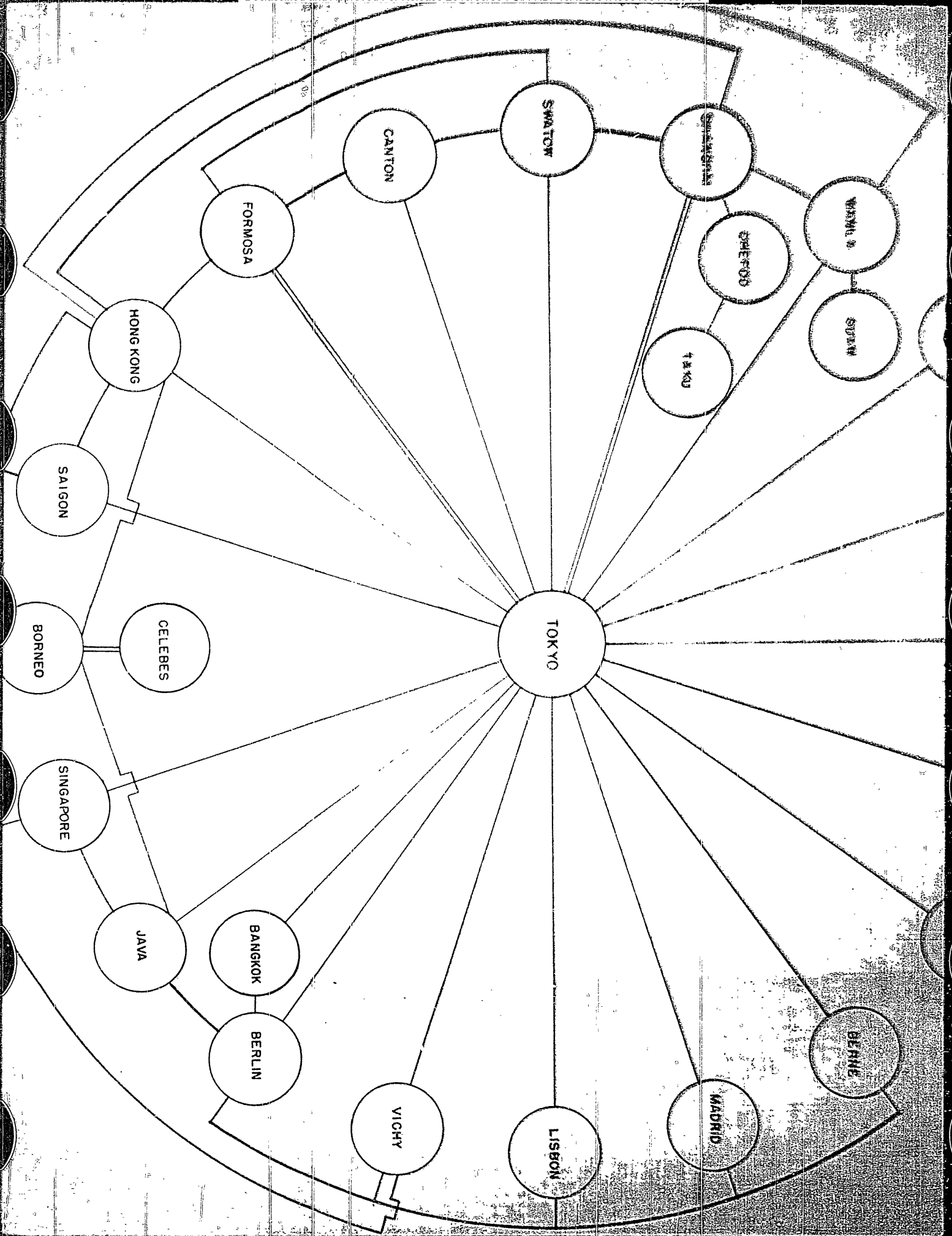


Continuation - 3A

Confidential - 30



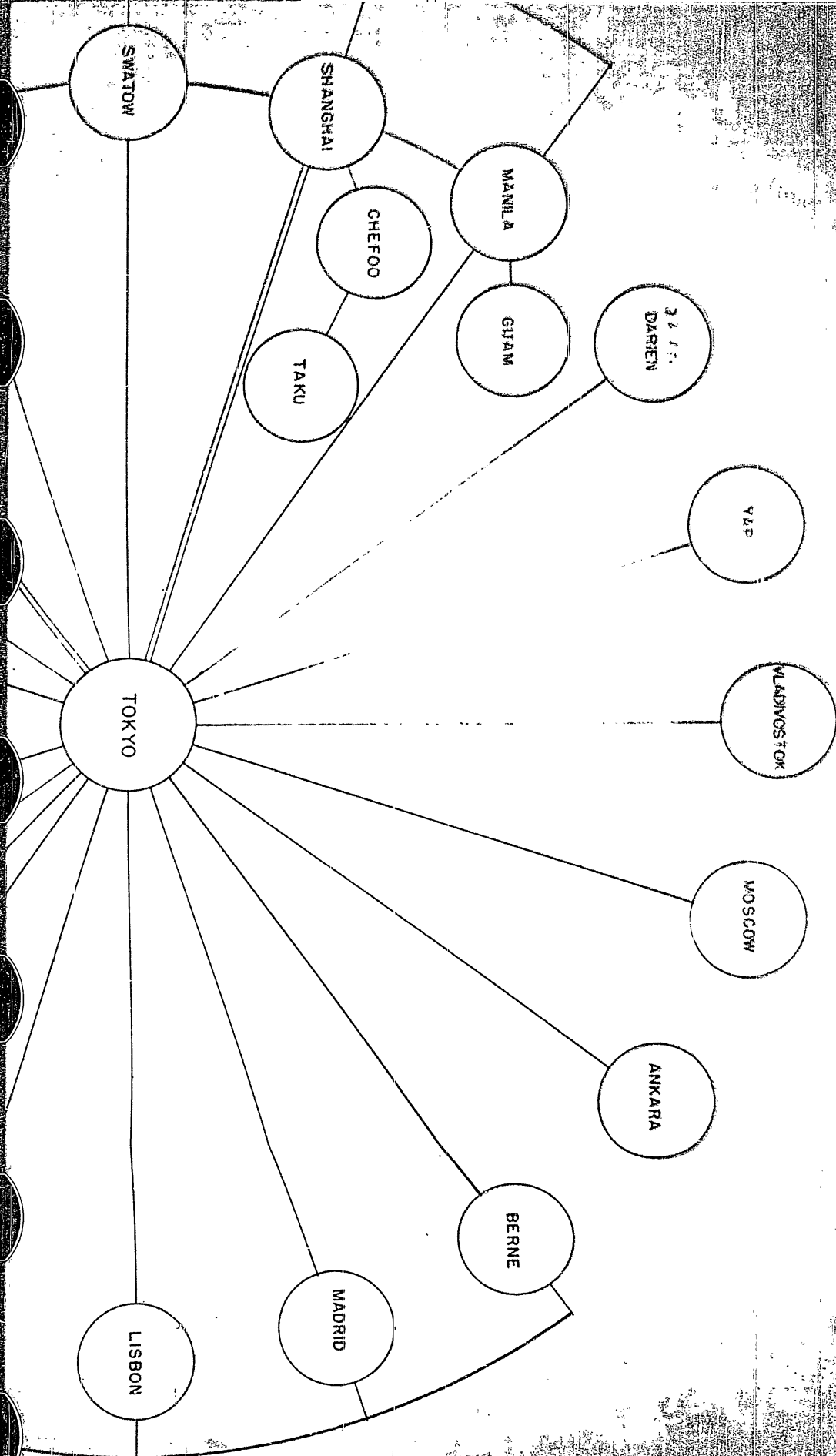
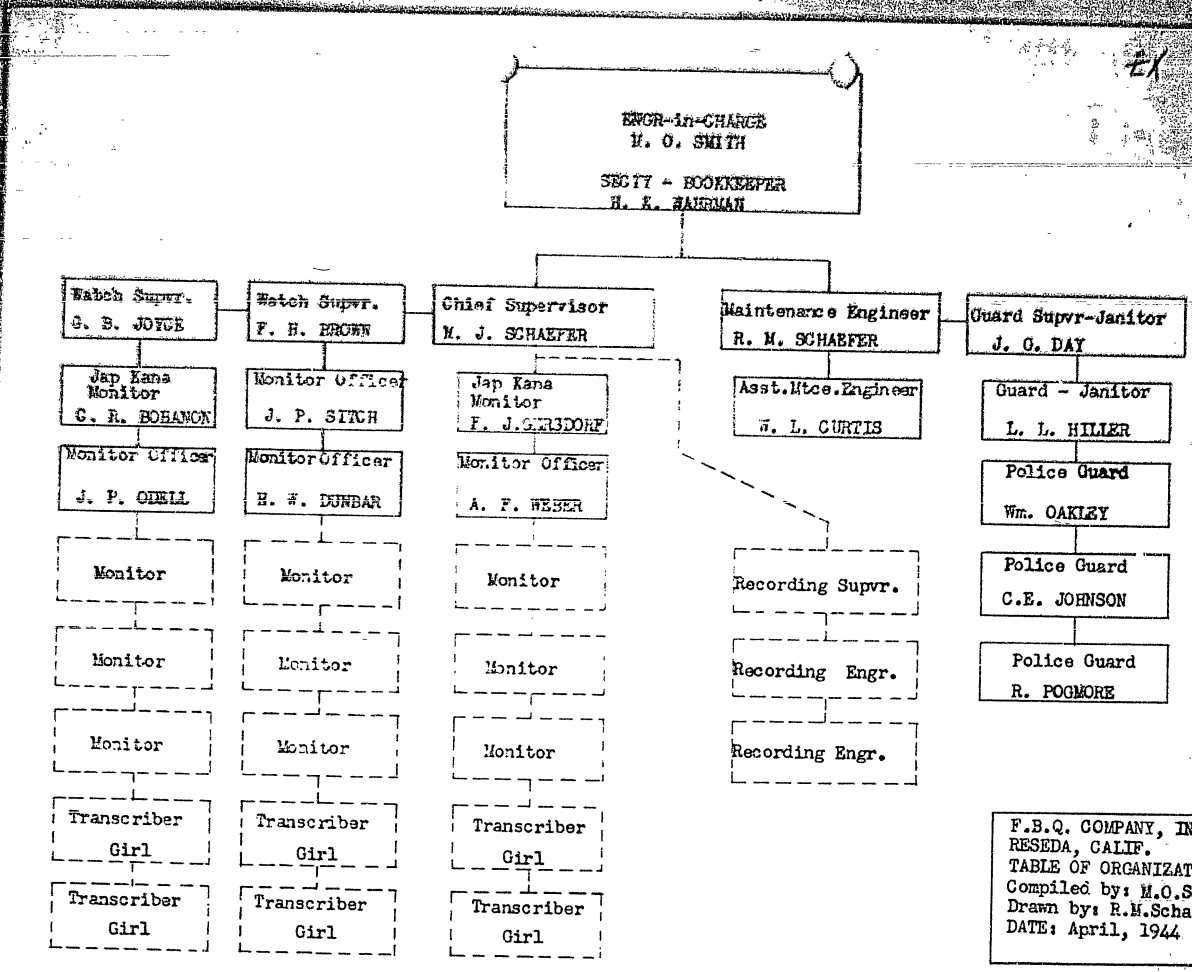


EXHIBIT 73

EX A



-9-

COSTS

In October, 1943 the Los Angeles office forwarded a plan Project in which the cost of the Los Angeles Unit was estimated at \$28,036. per year. This did not include salaries or any expenses in connection with the Station at Reseda. A translation unit in Washington would probably cost in the neighborhood of \$30,000. per year, but if this Station is utilized to its fullest extent more translators might be required than are now contemplated.

RECOMMENDATIONS

- (a) That all positions at the Reseda Station be manned and operated immediately.
- (b) That an early decision be made as to where the translations will be made.

-5-

analysis. A preliminary study indicates that about 80% of the material is economic, about 5% of an X-2 nature and about 15% political and miscellaneous. The material studied so far produces a considerable pattern of the economic problems and needs in Southeastern Asia. Among other things, these intercepts show the movements of commodities, shipping and personnel in occupied areas and in Japan. The Station has great potential value.

ROUTINE HANDLING OF MATERIAL

If it is decided to do the translation in Washington, it is suggested that the raw material be sent directly to Far East Section, SI, 1245 "Q" Building, for translation. The English material and the translated material will be edited and checked with the desks interested and a daily summary will be made up of the English material, plus the translated material and the summary routed to the Reporting Board through the Registry with suggestions as to distribution, as is done with the ordinary intelligence reports. This will save a lot of round-about handling and also save registering considerable useless material, as the desks should be authorized to destroy worthless material, otherwise we will be crowded out of the office by worthless paper. A copy of the daily summary would, of course, be handed to C. D. An alternate suggestion would be to hand the daily summary to C. D. for distribution.

At present four desks are concerned, as follows:

Occupied China
Mongolia
Manchuria
Korea
Philippine Islands
Indo-China

Japan

Burma
Thailand
F.M.A.

N.E.I.

If it is decided to translate the material in Los Angeles, then it is suggested that the translated material, plus the English material, be sent to SI for processing by the interested desks and routing as above.

The interested desks would, of course, route the small amount of X-2 material to X-2 in the usual manner.

-7-

"We have intercepted messages filed in Tokio addressed to the Japanese Embassy in Berlin - signed 'Shigemitsu' - containing messages obviously taken from recordings made by American prisoners-of-war and addressed to their families in the U.S. It must be borne in mind that we are referring here to commercial radiograms transmitted in Morse code - not propaganda voice broadcasts.

"We have intercepted messages filed in Berlin, addressed to the German Embassy in Tokio - signed by the German Foreign Office - containing written and/or recorded messages of American prisoners-of-war in German addressed to their families in the U.S.

"As far as we know, there is no American government agency recording and investigating this inexplicable exchange of a few prisoner-of-war messages between Germany and Japan. Our first thought was that the Germans and Japs might have a regional arrangement - that is, the Germans would select recordings by prisoners-of-war addressed to points on the West Coast within the range of the Tokio short wave propaganda voice broadcasts. The Japs, on the other hand, select prisoner-of-war recordings addressed to points on the East Coast reached by the German short wave transmissions. However, this was quickly disproved. Both groups of messages contain messages addressed to points on both the East and West Coasts.

"The only action we have taken on these messages (besides giving them a lot of thought and discussion with the local Cable Censor and ONI) is to make up a 'watch list' of the first messages we intercepted and listen to radio Tokio's prisoner-of-war broadcast in an effort to determine whether any of the messages we had intercepted were put on the air. Lack of personnel at Reseda put a stop to this and other than regular reports to Washington, we have done nothing.

"It is strongly urged that as soon as we have sufficient personnel we devote full attention to this matter. It is further recommended that either we be authorized to follow this up locally or that Washington take the necessary steps at least to establish the legitimacy of the addresses contained in these intercepts."

NATURE OF RESEDA MATERIAL

The intelligence and other possible OSS uses of the Reseda Station have not yet been exploited to any extent, and enough of this material has not yet been intercepted and translated to make a final

-6-

NEWS INTERCEPTS

There has been some question as to the usefulness of intercepting press news on this Station. The two principal ones are Tass, the Russian, and Domei, the Japanese News Agencies. If FCC or other agencies are not picking up these news services, Resada probably ought to pick them up, at least, until we can determine their true value and providing the staff at Resada can pick up these intercepts in addition to their regular work.

TASS NEWS AGENCY

Tass operates out of Shanghai and possibly out of other points in occupied territory, and regardless of Japanese wishes, Tass press dispatches from these points have been rather candid and probably contains valuable information from time to time.

DOMEI NEWS AGENCY

Mr. Lusey's comments on Domei are as follows:

"We have found several items of direct intelligence in Domei Morse code press transmissions. Granted that this type of traffic is voluminous and long-winded, it is our opinion that every Domei press transmission should be copied. This office can pick excerpts of value and report the excerpts only rather than submit the entire submission. This will be done in the future."

FCC LIAISON

Some one should check with FCC to avoid duplication in working these various circuits, and arrangements also should be made for FCC to us untranslated material picked up by them from these circuits if we wish to extract all these circuits have to offer.

ALLEGED POW MESSAGES

Mr. Lusey has the following comments to make concerning alleged Prisoner of War Messages:

"GOVERNMENT RADIOGRAMS, THAT IS, PAID MESSAGES FILED BY BOTH THE JAPANESE AND GERMAN GOVERNMENTS CONTAINING PURPORTED MESSAGES WRITTEN AND/OR RECORDED BY AMERICAN AND BRITISH PRISONERS-OF-WAR ADDRESSED TO THEIR FAMILIES;

-5-

TRANSLATIONS

As noted above, attempts are being made in Los Angeles to set up a translation unit. Mr. Hart, whose translations were unsatisfactory, has already resigned. We have not as yet received enough translations from the present translators to determine their value. Mr. Lusey states that the Los Angeles office has obtained SA-1 forms on enough additional translators to bring the staff in Los Angeles up to the strength necessary to translate the entire volume, but that Commander Vanderbilt has stopped the Los Angeles office from employing further personnel until it is determined where the translators are to work. I do not share Mr. Lusey's optimism about adequate translators.

We have been translating some of this material in Washington and have set up a Translation Bureau, as at the time we were not aware of the work in Los Angeles. The Translation Unit here, as well as in Los Angeles, is still in the experimental stage because translation of Japanese language intercepts requires specialized training. This open language material is in cablese or journalese; and even persons well-versed in Japanese language require special training to translate this specialized language, so Mr. Hart's difficulties are not surprising.

Most of the material intercepted at Reseda will be in this Japanese cablese. Much will be Chinese language and lesser quantities in German, Spanish and Portuguese. Some of these open language transmissions are in English.

In setting up a Translation Unit here in Washington, we had in mind to make translations not only of this intercepted material but other types of open or merely restricted material. From an administrative point of view, it would probably be desirable to have all translations done in Washington, as we can use some Japanese translators here, whereas Japanese are not permitted on the Pacific Coast, and if the translation is done there, we will have to rely on Americans, Koreans or Chinese. In any case, it was our intention to have all translations checked by qualified American citizens. I have never met an Oriental interpreter or translator who would make a faithful translation if "face" or his own nationals were adversely involved.

The final determination on this point depends upon how much untranslated material we may get from FCC, plus that intercepted by our own Station. Presumably, arrangements might be made with FCC to turn over this type of material to us here in Washington for translation, as I believe they assemble their material here. If it is decided to concentrate translations in Washington, it probably still is desirable to have a qualified translator of the Japanese and Chinese material in Los Angeles to assist Reseda in following up the best circuits or hot material, or else we should supply Los Angeles with copies of our translations.

By and large, this material will be long-range stuff, but one never knows when some important or hot material might develop.

-5- (u)

I suggest Orientals to do the spade work on these translations, as most of this material is open or non-restricted. By Orientals I mean either American Japanese, Chinese or Koreans. There will be a tremendous amount of this translation work to be done and it would be difficult to find enough qualified Americans to do the work. Also, the Americans with these qualifications should be used on secret and more important translation work. We would, of course, have at least one qualified American for each of the languages involved to check translations and help to edit and process the material.

VOICE BROADCASTS

Reseda can pick up and record any Far East voice broadcasts put out by Japs and puppets on short wave beamed to U.S.A., South America, Australia, etc. The Station can also pick up some of the Chinese domestic short wave stations. The Station can also record Tokyo, Hsinking, Manila, Java, Bangkok, Saigon, Shanghai, etc. Also XGOY in Chungking (in English, Japanese, Chinese, Spanish, French, etc.) This potentiality of the Station may be of particular interest to MO. Mr. Lusey has studied this phase and expressed a desire to go into the problem further if MO is interested.

MAP OF CIRCUITS

Mr. A. R. Lusey is preparing a communications report with maps which will show the various circuits identified so far, as well as cable circuits believed to be in existence. This report will be forwarded shortly, and will show the characteristics of the various circuits. A rough outline plan of these radio circuits, as well as cable circuits, is attached. (See Exhibit D).

LIAISON WITH OTHER AGENCIES

Mr. Lusey states:

"The Los Angeles office maintains close liaison with the local Cable Censor, Postal Censor, ONI and MIS. ONI, particularly, has been very much interested in our intercepts. An officer, who is a Japanese language expert, is stationed in the local ONI office. Through our liaison arrangements, we have furnished them with translated and plain language intercepts of matters of Naval interest and they have now asked us to furnish them copies of intercepts pertaining to various commodities such as copra, rice, sugar, etc. I am confidentially informed by the local ONI office that arrangements have been made to transmit intelligence direct from the District Intelligence Office at San Diego to the Southwest Pacific without going through Washington. ONI has told me that some of our intercepts will prove of considerable value to submarine commanders. Our translations are checked first by the Naval Officer in the local ONI office and checked again by the Japanese language experts in San Diego."

-3-

fade out to Bellmore. These two men should be authorized to use the TWX teletypes now used by the Navy at both Stations, to work daily arrangements for reception from Europe. It must be emphasized that their contact would be for operational purposes only, and no material would be involved.

PERSONNEL IN LOS ANGELES OFFICE

The personnel in the Los Angeles Office working exclusively on Reseda material consists of:

A. R. Lusey	- In Charge - Translation Unit at Los Angeles. Mr. Lusey maintains daily contact with the Station at Reseda
Miss Zumruth Apcar	- Japanese Translator
Miss Luana S. Black	- German, French, Portuguese and Spanish Translator
Miss A.K. Juergensen	- Japanese Translator
Miss Adelia A. Larson	- Japanese Translator
Miss D. L. Laughlin	- Clerk and Liaison with Cable and Postal Censors

Mr. William S. Hart, Jr., who was translating Japanese material, has resigned.

Mr. A. R. Lusey

Mr. Lusey is thoroughly familiar with radio communication and was engaged in this work in the Far East for many years. He also operated Press Wireless in Shanghai from about 1938 to just before Pearl Harbor. Press Wireless concentrated on transmission of uncensored press news against the will of the Japanese, as well as other radio communications. Mr. Lusey has extensive experience and background in communications, as well as in political and economic matters connected with the Far East. He could contribute a great deal to locating, identifying and exploiting these radio circuits, as well as analyzing the characteristics and potentialities of these circuits. He is very anxious to develop the possibilities of this Station to the fullest extent.

CABLE CIRCUITS

There is practically no information available on what the Japanese and puppets are sending over the cable circuits now under their control. Many of the points connected by radio circuits are also connected by cable. SO could do a neat job by cutting these cables and thus forcing the Japs entirely into the air. SI would be glad to help to get maps and plans showing the exact location of these cables.

-4-

feeling of insecurity, but this is probably because, to date, we have made little use of the material intercepted by them. It would be worth while for some one in authority to express a word of appreciation to Mr. Smith and to his staff for the work they have done.

In addition to the nine other "monitors" called for in Exhibit A, provision should be made for six girl transcribers. Mr. Smith's plan - a very sound idea - is to recruit good typists and teach them the International Morse Code and the Japanese Kana Telegraph Code. The girls will be taught nothing but the Kana telegraph code, and should, therefore, develop fairly fast. These girls will not tune radio receivers; they will transcribe the messages recorded on cylinders by regular operators, or "monitors". Mr. Smith should be instructed and authorized to proceed with this plan, and security checks should be expedited. This includes "monitors", as well as girl transcribers.

Of the total staff of monitors at Reseda, only two men can copy Japanese "Kana" radio telegraph code. The Kana is a Japanese Morse code - an entirely different arrangement of dots and dashes - and is known by very few Westerners. With only two men able to copy this code, the other monitors on different watches must turn in Japanese Kana transmissions and record them on wax cylinders. These wax cylinders are then kept and given to one of the Kana operators when he comes on duty. He transcribes the recorded transmission. In addition, both Kana operators on their own particular watch copy Kana transmissions directly from the air.

No translation or analysis work is done at Reseda. The intercepts are typed by the operators as received at the station. No steno-graphic or clerical personnel at Reseda is engaged in processing or typing translated material. Routine clerical work is handled by a lady secretary-bookkeeper.

RECEIVING EQUIPMENT

There are twenty-two receiving positions at Reseda. A position normally contains two receivers operated by one man. Of these twenty-two positions, the U. S. Navy operates eight and the U. S. Army eight, leaving OSS six positions. These six OSS positions are manned by the following Reseda personnel:

A supervisor and two monitors operate on each eight-hour watch. The supervisor does a regular monitoring job, as well as supervisory duties.

LIAISON Reseda with Bellmore

It might be advantageous if Mr. Smith and the engineer-in-charge at Bellmore could correspond by letter and arrange for Reseda to copy certain important European or African circuits when these circuits

April 27, 1944

M E M O R A N D U M

TO: General Donovan
 VIA: Chief, SI *W*
 FROM: N. F. Allman *NFA*
 SUBJECT: Reseda Radio Station.

LOCATION

Reseda Station is forty miles from Los Angeles. There are no living accommodations, not even auto courts, within twenty miles of the Station. No regular public transportation is available from the city to nearer than four miles from the Station. This bus runs very irregularly after 8:00 p.m. Accommodation and transportation for personnel is a real problem. Mr. M. O. Smith should be instructed (and given authority) to arrange satisfactory transportation. Three watches are involved: 8:00 a.m., 4:00 p.m. and midnight. Due to these conditions, Mr. Smith is having, and will continue to have, trouble securing personnel to work at Reseda.

PERSONNEL AT RESEDA

Eighteen persons now are employed at the Station, including the engineer-in-charge, Mr. M. O. Smith. (See Exhibit A attached). This Station is understaffed and needs at least nine additional monitors. This would enable it to cover the known circuits throughout the twenty-four hour period, as well as to provide occasional relief. This would enable the Station also to search out clandestine and unknown stations.

MR. M. O. SMITH

Mr. Smith is engineer-in-charge at Reseda. He has done and is doing an excellent job in this capacity. Mr. Smith thoroughly understands his business. However, he works too hard and has too much of a tendency to try to do all the work himself. It would be advisable if he develop assistants to relieve him of part of his work, as no man can carry a job twenty-four hours a day. He has some very able assistants. Mr. Smith should not be required to do any work in connection with translation or analysis of the material, as he will have his hands full directing operations of the stations. Mr. Smith and his staff have some

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : General Donovan
FROM : N. F. Allman *NFA*
SUBJECT: Reseda Radio Station

DATE: 3 May 1944

I am transmitting herewith report on the Reseda Radio Station. This report has been discussed with Commander Morgan's office. We are of the opinion that this material should be processed here in Washington and distributed to interested agencies through the Reporting Board, the same as other intelligence reports.

N.F.A.

Attachment* 1

To: Judge N.F. Allman

31 July 1944

The Army and Navy Intelligence services here have people who are concentrating on the development of intelligence material from that area. I repeat, they are concentrating on this particular area.

This intercept project is a Pacific Coast operation. Our sources are in the Pacific. It seems logical to me that my operations should continue in this area where I have immediate access to the station, to reliable and informed sources on the particular area, and, most important of all, where I can use my extensive communications knowledge of the Pacific area to the best possible advantage.

I hope that you will do all in your power to see that the Los Angeles translation unit remains in operation.

Via Air Mail

cc: Col. D.M. Gregory
Mr. H.B. Allin Smith

LOS ANGELES
OFFICE OF STRATEGIC SERVICES

CONFIDENTIAL

INTEROFFICE MEMO

TO: Judge N.F. Allman

DATE: 31 July 1944

FROM: A.R. Lusey *ARL*

SUBJECT:

This will refer to our telephone conversation of today regarding the possibility of closing the Los Angeles Translation Unit and my coming to Washington to continue this work there.

As I told you over the 'phone, I think the Los Angeles Unit, as presently constituted, is absolutely essential to the efficient operation of the Reseda intercept station. I thought that this fact had been recognized by all concerned---that is, that even if the decision were made to do the full translation in Washington, this small Unit should continue in Los Angeles.

For more than a year I have been fighting to put this intercept on an efficient basis, to persuade the powers that be to translate it, analyze it and furnish it to the armed services. I have definitely proven that a considerable amount of operational intelligence is contained in these commercial messages.

In this past year I have spent a great part of my time---mostly on the "graveyard" shift---at the Reseda station finding circuits of value and persuading Smith to have the operators constantly intercept these circuits. The value of the material has increased tremendously during this time, especially since the establishment of a skeleton translation unit here in Los Angeles. I find it essential to continue spending several nights a week at the station in order to insure constant intercept of circuits that have proven to be of value.

With our military forces preparing for a drive on the Philippines, naturally their Intelligence services are making an intensive effort to secure all the intelligence material possible on that area. Our setup here is ideal for the intercept translation and, in some cases, interpretation of traffic handled between inter-Island stations in the Philippines.

I have some considerable knowledge of that area myself. I have contact here with several men of many years experience in the Philippines. From them I get information on various personalities and other matters pertaining to the Philippines.

-2-

would decentralize our intelligence work and this involves a matter of policy. It is my opinion that this translation and processing ought to be done here, and this opinion is shared by the Radio Advisory Committee.

Good American translators of Japanese are scarce, and at this time practically all of them are engaged in war work in the various agencies. Also this material is only restricted, or at the most, confidential, and we can get qualified Japanese American citizens to do the work here in Washington, whereas, I don't think this type of personnel would be allowed to do the work in Los Angeles. Our translation unit here has now become fairly efficient.

I am aware that ONI and 7-2 in Los Angeles are appreciative of Mr. Lusey's services, but I believe they in any case send this material on to Washington. They probably also distribute it to Pacific Unites. Practically all of this material is of a low range variety and while hot information might get on the air in this open language material, the chances of this are somewhat remote.

In any case, the material can be processed and translated here in Washington almost as quickly as it can be done in Los Angeles in spite of the day and half average it takes the raw material to get here by air.

Some time ago Col. C. J. Sands, Chairman of the Radio Advisory Committee recommended that the translation work be done here and that Mr. Lusey be brought to Washington to help carry on the processing of this material. In continuation of the above report, I also recommend this.

Lusey
Attachment- Letter
July 31, 1944

cc- Col Sands.

MEMORANDUM FOR GENERAL DONOVAN

DATE: August 11, 1944

Via: Chief, SI *MM*
 From: N. M. Allman *NMA*
 Subject: Reseda Radio Station (Supplemental Report)

Supplementing my report of April 27, 1944 on the above subject, I wish to point out that to get the most out of this material requires the continuous services of at least one person with a long background of Far Eastern experience. Mr. A. R. Lusey, in my opinion, is the best qualified person in or out of OSS to do this work. My reasons for this are:

- a. Mr. Lusey's long practical and technical knowledge of radio communications in the Far East.
- b. His past press experience. He operated Press Wireless out of Shanghai from 1937 to 1941.
- c. He has a comprehensive knowledge of the whole area.
- d. He has a keen perception as to what is useful in this mass of material.

Mr. Lusey feels that he could do this work best in Los Angeles, as he set out in his letter of July 31, 1944, and in previous correspondence. There are of course obvious advantages in his being able to have direct personal contact with the station. However, if this material were translated, processed and distributed in Los Angeles, it

SECRET

STANDARD FORM NO. 64

Office Memorandum ~~SECRET~~ UNITED STATES GOVERNMENT

TO : 1. Comdr. H. S. Morgan
2. General John Macruder

DATE 14 August 44

FROM : Secretariat

SUBJECT: Reseda Radio Station.

Colonel Buxton would appreciate your comments on the attached memorandum dated 11 August 1944 and attachment submitted by Judge Allman.

Major, AFS
Chief, Secretariat

~~SECRET~~

COPY

CONFIDENTIAL

1 August 1944

Subject: Intercept Unit - Report for Month ending 31 July 1944.

said that landowners in the Bacolod area "FACING SAME TROUBLE AS THOSE IN MINGLANILLA AND TALISAY (SOUTHERN CEBU) UNDER NAUW ESTATES." The message is badly garbled. It goes on to say that "MANAGER SHINOMOTO WITHOUT PASSING THROUGH PROPER GOVERNMENT CHANNELS SECURED A CONTRACT WITH ONE HACIENDA FOR ONE HUNDRED HECTARES ?? ONLY EIGHT THOUSAND PESOS." This would indicate that the Navy controlled Japanese Hacienda managers are doing business on their own and that the landowners in that area are protesting to the puppet Filipino officials. It would seem that the nearer we get to the Philippines the more trouble develops between the puppet officials and the Japanese military.

I would appreciate your comments on this report and instructions as to any change in the composition of future reports.

cc: Mr. H. B. Allinsmith

Copies of the messages on which this report is based are available but are not attached.

CONFIDENTIAL

COPY

CONFIDENTIAL

1 August 1944

Subject: Intercept Unit - Report for Month ending 31 July 1944.

On July 7 a message from Manila to Cebu signed by the Director of Public Works in Manila, instructed the provincial engineer to forward "DATA NEEDED RELATIVE FACILITIES AVAILABLE UNDERTAKING WORK FOR NAVY."

An official message from Davao to Manila on July 4 said that certain areas in Davao Province "NOW SENDING PLENTY LABORERS."

On July 21 the Governor of Lanao Province addressed a message to the Ministry of Health, Labor and Public Welfare in Manila, reading "IN VIEW OF INCREASED DEMAND FOR LABORERS TO WORK CAGAYAN AND BUKIDNON LANDING FIELDS REQUEST AUTHORITY APPOINT ONE OFFICIAL LABOR RECRUITER FOR LANAO.....AND PRIVATE RECRUITERS." It is interesting to note, in view of our comments regarding suspended communications between the Province of Lanao and the rest of the Philippines, that the Governor of Lanao in this message asks that the reply be directed to him at Davao.

We note with interest that we have received traffic for all the main islands in the Philippines except Mindanao, Palawan and Samar. It is also interesting to note that in the past three months there have been no English language messages to or from Aparri in the northern tip of Luzon. The only messages from Aparri have been personal Japanese messages all giving the address as "CARE OF APARRI SHIPYARD."

We have had several intercepts recently indicating increasing trouble between the Japanese military authorities and the puppet Philippine government. One such intercept was between high Catholic Church officials and said that the President of the Philippines, Jose Laurel, in order to safeguard public school properties, in view of the Japanese Army taking over all public schools, directed that furniture and fixtures and other material from schools be deposited in Catholic convents throughout the Islands.

Another intercept disclosed the fact that the Japanese supply office intended to occupy the offices and facilities of "BIBA" at Bacolod. "BIBA" apparently had refused to vacate the premises except upon direct orders from President Laurel. We have not been able to identify "BIBA". Another intercept from Bacolod to the Commissioner for the Visayan Islands in Manila

CONFIDENTIAL

COPY

CONFIDENTIAL

1 August 1944

Subject: Intercept Unit - Report for Month ending 31 July 1944.

the month of July. Intercept messages allow us to draw very definite conclusions as to the two routes travelled by sailboats between Luzon and the Southern Islands. Many messages contain references to the difficulty of transportation throughout the Islands. Zamboanga seems to be practically cut off from the rest of Mindanao, as well as islands to the north. Intercepts have indicated definitely that the only means of transportation from Zamboanga to, for example, Cotabato, is by sailboat.

During the month of May we identified the Japanese steamer "TASMANIA MARU" and through several intercepts containing references to this vessel and to cargo shipped on this vessel, we were able to identify its route from SAIGON to MANILA, then through the southern islands to Saigon. On July 19 an intercept message in Japanese language from Saigon to Formosa confirmed the arrival of the "TASMANIA MARU" at Saigon. We were very pleased to have this confirmation of our deductions as to the route of this vessel.

We have identified several Japanese vessels during the month of July; one in dry dock in Hongkong, one which has apparently just been put into service in the Philippine Islands, and a tentative identification of one of the big NYK Line Japanese vessels "HEIAN MARU". Another large NYK Line vessel mentioned was the "GINYO MARU."

MILITARY

Sometime ago we intercepted a message from Canton to Swatow directing several municipalities to furnish a certain amount of rice for the Forty-fourth Division of the Chinese puppet army. On July 18 we intercepted a message from Canton to Swatow addressed to "FORTY-FOURTH HEADQUARTERS" directing that preparations be made to "REMOVE THE GARRISON AND SCATTER THE SOLDIERS. FOLLOW THE FIRST AND SECOND STRATEGICAL METHODS FOR BATTLE."

On July 4 we intercepted a message from Davao to the Governor of Davao, who is in the hospital in Manila, stating that "GENERAL HARADA PROMOTED TO LIEUTENANT GENERAL."

On July 4 another message from Davao to the Constabulary headquarters in Manila suggested "SEE LIEUTENANT YURA WATARI 1700 BUTAI (ARMY UNIT) HEADQUARTERS" with reference to "PLANE PASSAGE KUBAYASI WIRING HEADQUARTERS TODAY."

-4-

CONFIDENTIAL

COPY**CONFIDENTIAL**

1 August 1944.

Subject: Intercept Unit - Report for Month ending 31 July 1944.

for Mindanao reported to the Director at Manila that he had been "INTENSIVELY CAMPAIGNING" in Cotabato, Davao, Surigao, Zamboanga, and Oriental Misamis, and said "DAVAO IS EXERTING EVERY EFFORT TO SURPASS COTABATO RECORD OF ONE HUNDRED THOUSAND PESOS COLLECTION AND TWO HUNDRED THOUSAND MEMBERS UP TO DECEMBER THIRTIETH OF THIS YEAR." He adds that he is "AWAITING FIRST OPPORTUNITY TO CAMPAIGN AND LECTURE IN BURIDNON, AGUSAN, LANAO, OCCIDENTAL MISAMIS AND SURIGAO."

GUERRILLA ACTIVITIES

During the month of July we have had several indications of guerilla activities, all pertaining to the Island of Panay. One garbled and incomplete message from Iloilo to Constabulary Headquarters in Manila reported the wounding of a private when "A JAPANESE FORCE HE WAS ACCOMPANYING WAS ATTACKED BY ABOUT EIGHTY GUERRILLAS GUERRILLAS RETREATED TO MOUNTAINS UPON ARRIVAL OF REINFORCEMENTS." Another intercept contained a request for a "CONVOY" from Iloilo to San Jose, Antique Province, on the other side of Panay Island. The request was to the Senior Inspector of the Constabulary and it is, therefore, assumed that the "CONVOY" referred to an armed escort across the lower part of the Island of Panay.

On July 1 the Bureau of Posts in Manila sent a circular telegram to all telegraph offices "DO NOT ACCEPT TELEGRAMS FOR CAGAYAN, MISAMIS ORIENTAL, UNTIL FURTHER NOTICE." In May a similar notification was sent relative to Dansalan in Lanao Province, which borders on Misamis Oriental. Lanao has always been a "hot-bed" of Moro activity. It is probable that guerilla activity caused the suspension of communication with both these points. Communication with Lanao is still suspended. On July 17 traffic began to come out of Cagayan. The first message, addressed to the Chief Supply Officer of the Constabulary in Manila, said that "OFFICERS WITH SUPPLIES ARRIVED CAGAYAN JULY 13." Since then we have received several messages in both English and Japanese reading "ARRIVED SAFELY" or in some cases, reading "SAFE." These messages are sent by both Filipinos and Japanese. This might indicate that a combination Constabulary and Japanese force had been sent to Cagayan to re-open communications.

TRANSPORTATION

There are many references to shipments by sailboats between points in the Philippine Islands. We have had no reference to a steamship or a powered vessel of any kind during

-3-

CONFIDENTIAL

COPY

CONFIDENTIAL

1 August 1944

Subject: Intercept Unit - Report for Month Ending 31 July 1944.

Cebu read "WIRE BRIEF ACCOUNT ROBBERY AND HOMICIDE BY CORPORAL LUANGCO AND COMPANIONS." This message followed by a few days an urgent appeal by the district commander at Cebu for funds to pay the men and for some arrangement to furnish the men food. Another report from a district commander, reporting the desertion of an enlisted man and his subsequent apprehension, read in part "HE PREFERS DISCHARGE OR IMPRISONMENT RATHER THAN CONTINUE SERVE CONSTABULARY." Another message reported the desertion of three privates of the Misamis Occidental Company with three rifles and ninety rounds of ammunition.

The Philippine Constabulary Academy at Davao has always been second only to Manila in size and importance. This Academy has been closed despite the fact that several intercepts have stated "WE NEED OFFICERS FOR FIELD SERVICE."

ECONOMIC AND POLITICAL

By far the greatest number of intercept messages between points within the Philippines deal with the ever-increasing cost of living and scarcity of prime food commodities. This applies not only to personal messages but to almost all official messages -- between governors and government offices in Manila. The various ministries in Manila have established high cost of living bonuses for employees but in almost all cases there is no money in provincial treasuries to pay the bonus.

There have been a number of resignations of provincial officials during the month of July. The governor of Sulu Province resigned and a number of lesser officials have either resigned or, in one or two instances, simply disappeared. One of the most outstanding Japanese collaborationists in the Province of Davao, Juan Sarenas, who has been the mayor of Davao since the Japanese occupation, has tendered his resignation direct to Jose Laurel, the President of the puppet Philippines Commonwealth. His excuse was "FAILING HEALTH." Almost all the other official resignations give the reason for resigning as "HIGH COST OF LIVING."

Frequent intercepts contain official reports of the apparent conversion of sugar acreage to staple foodstuffs such as rice, corn, cassava, camote, beans, etc.

The Japanese sponsored Filipino political organization, "Kalibapi", is conducting an intensive recruiting campaign on the Island of Mindanao. On July 7 the Director

-2-

CONFIDENTIAL

COPYLOS ANGELES
OFFICE OF STRATEGIC SERVICES**CONFIDENTIAL**

TO: Lt. Col. Donald M. Gregory 1 August 1944

FROM: A. R. Lusey

SUBJECT: Intercept Unit - Report for Month ending 31 July 1944.

In accordance with your instructions, we are beginning a monthly report detailing the activities of this Unit.

In accordance with requests from the Office of Naval Intelligence and suggestions from Military Intelligence Service, we are concentrating our translation activities on the Philippine Islands, both inter-Island and overseas radio traffic.

We are attempting a brief analysis of the intercept material from this area and submit our findings herewith.

PHILIPPINE CONSTABULARY

We intercept a considerable number of official Constabulary messages dealing with personnel, supplies and finances. Month after month there is an ever-increasing indication of discontent and disorganization in the Constabulary. Many of the district establishments have not been paid for several months. Apparently Constabulary Headquarters at Manila are quick to approve any measures to alleviate the economic distress of the various units as soon as the recommendations are made by district commanders. However, the recommendations are always conditioned upon funds being found for such measures. Few of the Units have actually received these funds.

District commanders openly report "OFFICERS AND MEN DISGUSTED NO MONEY TO BUY FOOD ARTICLES SKY HIGH." Even where money is available it is difficult to purchase prime food commodities--- apparently nobody wants the Japanese sponsored Filipino pesos. Recently various provincial governors have been requesting permission to "PURCHASE SUGAR AT CONTROLLED PRICES TO BARTER FOR RICE WHICH WILL BE SOLD TO THE MASSES AT A PRICE THEY CAN AFFORD."

The enlisted men of the Constabulary are deserting and resorting to "HOMICIDE AND ROBBERY" over a wide area. For example, one intercept from the executive office of the Constabulary headquarters in Manila to the district commander in

CONFIDENTIAL

CONFIDENTIAL

Col. G. Edward Buxton

-3-

18 August 1944

transmission of the material through an appropriate branch of OSS in Washington.

I have expanded on our plans here for the use of the material, since I believe this has a bearing on both the retention of Mr. Lusey and his unit in Los Angeles, and upon the general usefulness of station F. B. Q. In the thought that it may be of interest, I am attaching a copy of Mr. Lusey's report for the month of July to me, indicating the character of the material he is dealing with; it also indicates the desirability of having someone familiar with the area on the ground at the station.

Enclosure: (1)
Cy. Mr. Lusey's report,
dated 1 August 1944.

cc: Lt. (jg) John Howloy
Mr. A. R. Lusey

CONFIDENTIAL

CONFIDENTIAL

Col. G. Edward Buxton

-2-

18 August 1944

I believe some improvement has already occurred. This recommendation is concurred in by Mr. Easton who has been familiar with Mr. Lusey's operations throughout, and, I believe, was also the view of Commander Vanderbilt before he left California.

I have recently been concerned, as has Mr. Lusey, with the fact that much material which is intercepted is believed to be of value to more than one branch of OSS, and found that some of it requires extremely expeditious handling to be of greatest value. This latter we have attempted to provide through direct liaison with the Navy Department, Office of Naval Intelligence in Los Angeles, and also with the Army Intelligence section there. Mr. Lusey maintains constant and close relations with both of these offices, and discusses many of his problems and the material obtained with the officers in charge, almost daily. In order to make the material more available to OSS, Mr. Lusey is beginning, this week, to forward fairly comprehensive screenings from the messages received to the Chief, R & A in San Francisco, who contemplates a further screening and compilation, and their transmission, on a trial basis, to the R & A Branch in Washington direct. Whether this is or is not helpful will depend upon the reaction of the recipients in Washington. In addition, the Biographical Records Section of R & A in San Francisco is following the intercepted material, insofar as it relates to the activities of named individuals.

A further field of usefulness for the material has been suggested by Lt. Lloyd W. Lambert, USNR, of the X-2 Branch, who is on temporary duty in San Francisco. Lt. Lambert is in close contact with Filipino affairs in this country, including the Philippine Section of the Department of the Interior in Washington. He advises that a great deal of the material from the Philippines would be welcomed by the Philippine Section as having a direct bearing on their work in compiling information on the activities of individuals in the Philippines under Japanese occupation. So far as is known, this material does not now reach the Department of the Interior, and it is contemplated that authority will be requested in the near future, either for direct liaison between Mr. Lusey and the Philippine Section, or for the

CONFIDENTIAL

San Francisco Office

CONFIDENTIAL**Office Memorandum • UNITED STATES GOVERNMENT**

Radio Station

TO : Colonel G. Edward Buxton

DATE: 18 August 1944

FROM : Lt. Colonel Donald M. Gregory *DMG*SUBJECT: Reseda Radio Station P. B. 3.

As requested in Major Duncan C. Lee's memorandum to me of 14 August 1944, I am forwarding my comments and recommendations with respect to the memorandum of Mr. A. R. Lusey to Judge N. P. Allman of 31 July 1944; they follow.

I feel quite definitely that the Translation Unit as now functioning in Los Angeles is of material value to the operations of the station P. B. 3., quite independent of any value resulting from the actual translation of the material. This is due, first, to the fact that there are a very large number of circuits which might be followed and some judgment is necessary in picking out the ones to follow closely; and second, to the fact that Mr. Lusey appears extremely well-qualified to make such decisions, in view of his intimate knowledge of certain parts of the Far East and of the communications facilities, equipment, and operating conditions there. It is to be remembered that Mr. Lusey himself is primarily an operator, and much of the useful material which is picked up is the direct result of his personal work on the receiving sets. As Mr. Lusey is not a translator himself, it is obvious that in order for his services to be most beneficial, he have facilities on or near the station for the translation of messages which are received, in order to be able to determine which circuits to concentrate upon. It is emphasized that this viewpoint is quite independent of what, if any, value the fact that the translations are made on the Pacific Coast may have on the ultimate disposition of the material in Washington. It is felt that unless an operator of experience and knowledge of the area equal to that possessed by Mr. Lusey, is substituted for him -- his greatest usefulness, personally, is in his present position. It is, accordingly, my recommendation that the present set-up be continued, with a constant attempt being made to improve the quality of the translations made in Los Angeles, by substituting better translators as they are located.

CONFIDENTIAL

GSS Form 4001
(Rev. 7/27/44)

GSS SECRETARIAT - ROUTE SLIP

DATE *10/20/44*

TO	NAME	INITIALS
	O. C. Doering, Jr.	
	J. J. Monigan	
	E. J. Putzell, Jr.	
	R. Thrum	
	D. C. Lee	<i>DL</i>
	J. W. Auchincloss	
	W. B. Kantacik	
	W. H. Miley	
	P. F. Pugliese	
<input checked="" type="checkbox"/>	A. W. Salloway	
	J. B. Donovan	
	A. W. Asguth, Jr.	
	A. L. Dart	
	H. H. Hamilton	
	L. R. Houston	
	C. S. McClelland	
	J. L. McDonnell	
	J. R. Schoemer, Jr.	
	Secretariat Files	
	Director's Files	
	O. G. C. Files	

Alvord

*Will you please file
with the As you will
see a reply in the form
of a copy of the letter
from Hargrave & Ladd*

(23695)

P.C. act as of 8/12

*Communication 2 11/11
* [unclear]*

MEMORANDUM FOR GENERAL DONOVAN

DATE: September 4, 1944

Via: Chief, SI
From: N. F. Allman *MA OK*
Subject: Reseda Station Report (Supplement II)
Mr. A. R. Lusey

With reference to previous reports concerning the Reseda Station, we have now arranged to transfer to Washington Mr. James Wanveer, who will assist in the translating and processing of Reseda material. Mr. Wanveer has been training under Mr. Lusey for this purpose in the Los Angeles Office, and his transfer obviates the necessity of having Mr. Lusey come here to help out on this work. This will also make it possible to take advantage of Mr. Lusey's technical knowledge by keeping him in personal contact with the station, and also to utilize his experience in connection with other radio intelligence plans under way.

cc- Radio Advisory Committee
Commander Henry Morgan

CONFIDENTIAL

SECRET

Date: Sept. 4, 1944

MEMORANDUM FOR GENERAL DONOVAN

Via: Chief, SI
From: N. F. Allman
Subject: Reseda Station Report (Supplement II)
Mr. A. R. Lusey

With reference to previous reports concerning the Reseda Station, we have now arranged to transfer to Washington Mr. James Wanveer, who will assist in the translating and processing of Reseda material. Mr. Wanveer has been training under Mr. Lusey for this purpose in the Los Angeles Office, and his transfer obviates the necessity of having Mr. Lusey come here to help out on this work. This will also make it possible to take advantage of Mr. Lusey's technical knowledge by keeping him in personal contact with the station, and also to utilize his experience in connection with other radio intelligence plans under way.

cc- Radio Advisory Committee
Commander Henry Morgan

SECRET

Continued on p. 2
SECRET

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

5 September 1944

MEMORANDUM

TO: COLONEL G. EDWARD BUXTON

FROM: LT.COMDR. H. S. MORGAN

SUBJECT: RESEDA RADIO STATION - (TRANSFER OF A. R. LUSEY)

At the regular weekly meeting of the Radio Advisory Committee, held Tuesday, 5 September 1944, the attached memorandum from Judge N. F. Allman was submitted. After due discussion of the facts as presented, the Radio Advisory Committee decided to withdraw its recommendations, contained in a memorandum to General Donovan, dated 31 July.

The writer concurs in the decision of the Radio Advisory Committee, and requests that Mr. A. R. Lusey remain in his present status until further notice.

Enclosure

H. S. Morgan
H. S. Morgan
Lieut. Comdr. USNR

SECRET

STANDARD FORM NO. 64

Office Memorandum

SECRET

UNITED STATES GOVERNMENT

TO : Charles S. Cheston
FROM : Secretariat
SUBJECT:

X [unclear]
X [unclear]
DATE: 7 September 1944
X [unclear]

Attached for your information is a memorandum from Commander Morgan concerning the proposed transfer of Mr. A. R. Lusey to Washington, together with an earlier memorandum on the same subject submitted by Judge Allman.

Before his departure, Colonel Buxton requested the Secretariat to obtain the comments of Colonel Gregory. Commander Morgan, and Colonel Sands on Judge Allman's memorandum. Colonel Gregory recommended that Mr. Lusey be left where he is, as did Commander Morgan, who reports that the Radio Advisory Committee, of which Colonel Sands is Chairman, also concurs.

Moreover, a memorandum from Judge Allman dated 4 September 1944 (attached to Commander Morgan's memorandum) indicates that the Judge has withdrawn his earlier recommendations that Mr. Lusey come to Washington.

Therefore, it appears that since all parties are in agreement, no further action need be taken on this matter at the present time.

A. W. Sulloway
A. W. Sulloway

ok
asl

SECRET

SECRET

In the process of monitoring Far Eastern commercial circuits a certain amount of coded traffic is recorded. This is turned over to the DNI office in Los Angeles for immediate transmission to the Navy Department. No especial effort is made to obtain this coded traffic, but in the process of monitoring the open communications such material is interspersed in the transmission of the Far Eastern stations. No reports have been received as to the value of this coded material, but the Navy Department have requested us to continue to give them any such material which we happen to record in the course of our business.

H. S. Morgan
H. S. Morgan

SECRET

STANDARD FORM NO. 64

Office Memorandum

SECRET

UNITED STATES GOVERNMENT

TO : Brigadier General W. J. Donovan
Via: Brig. General John Magruder

FROM : Lt. Comdr. H. S. Morgan

SUBJECT: Use by the Navy of intelligence monitored at Reseda, California.

DATE: 17 October 1944

At the present time intelligence material monitored from Far Eastern commercial radio circuits by the station at Reseda, California, is being translated by the Translation Unit in Los Angeles, under Mr. A. R. Lusey, and disseminated to the District Office of Naval Intelligence there. With the approval of ONI in Washington, Comdr. Murphy, in charge of the DNI, is sending certain of this material considered of operational value directly to JIGPOA in Honolulu. This material includes ship movements, cargo movements and especially traffic from the Philippine Islands. We are informed that this material is considered of real value.

In the past sixty days, in company with Lt. Nicholson, I have interviewed Captain Wallace S. Wharton of Navy Counter Intelligence Group, and he has expressed great interest in our product. Capt. Wharton was familiar with the existing relationship between Lusey and the District office in Los Angeles, and was of the opinion that nothing should be done to disturb the present working agreement. He is well aware of this agreement and feels that matters should be left alone for the present in order that progress already made be unimpaired. He, Capt. Wharton, requested that we furnish him daily with intercepts from Reseda, and, of course, this is being done.

This very satisfactory contact and relationship with the Navy was developed through the intermediary of Mr. Martin Easton, by Mr. Lusey, in Los Angeles, largely through personal friendship and acquaintanceship with the officers both in the DNI office in Los Angeles and with the Los Angeles Cable Censorship Office, which is manned by naval officers.

When Rear Admiral Redman, Chief of the Office of Naval Communications, and Comdr. Wenger were in Los Angeles recently, they visited the Reseda station to inspect the naval detachment occupying some of the positions in the station. The Admiral expressed interest in the operation, and it was at the suggestion of the Office of Naval Communications that Capt. Wharton was contacted.

Recently the Navy has discontinued their operations at the Reseda station, transferring them to their own station at Point Loma. This has freed eight positions which are now available to OSS and for which operators are being recruited.

SECRET

STANDARD FORM NO. 64

Office Memorandum

UNITED STATES GOVERNMENT

Com
17 October 1944
W. J. Donovan
H. S. Morgan

TO : Brigadier General W. J. Donovan
Via: Brigadier Gen. John Magruder
FROM : Lt. Comdr. H. S. Morgan
SUBJECT: Proposed transfer of Reseda and Bellmore monitoring stations.

After speaking to you this morning I contacted Major Harold Jones, U.S.M.C., with whom I discussed the recommendation contained in his memorandum delivered to you today, that the two monitoring stations, one at Reseda, California, and the other at Bellmore, Long Island, be transferred to the X-2 Branch as being a requisite facility for X-2's activities.

These stations at present monitor open, commercial radio circuits in Europe and the Far East, and the resulting copy is disseminated principally to the Branches of OSS, under the direction of the Radio Advisory Committee, composed of representatives of the various Branches interested, under the chairmanship of Lt. Colonel O. J. Sands.

Jones believes that if X-2 possessed monitoring facilities it would be possible to use them as a makeweight in persuading the Army and Navy to make available to X-2 the proceeds of their breaking of enemy encoded messages.

I write this memorandum to point out to you that I believe it is unlikely that the Army and Navy will turn over this material to X-2 in view of their previous attitude, with which General Magruder is fully acquainted, and that unless by the transfer of these stations to X-2 it is possible to arrange for the material to be obtained, there is a good chance that X-2, in operating the stations, would not make the other intelligence available to the other Branches which are at present obtaining it through the medium of centralized control and distribution.

H. S. Morgan
H. S. Morgan

cc: Mr. James Murphy

SECRET

Page 10-

42140-44-E Canton 2-27-45
Klein Schmidt

Shanghai 2-27-45
(Urgent Franz, care Deutschschweizer Bank)

"TWENTYTHREE EIGHTYSEVEN ZERO FIVE ONE SIX SEVEN ONE THREE
NINE NINE REPER NINE AUGUST TWENTYFOURTH YOURS COUNCIL REPER
QUESTION MAY BECOME ACUTE NEAR PERSONS HAVE BEEN APPROACHED BY
SIX SEVEN FIVE ABOUT OUR INTENTIONS. HANJU CHENG (apparently
garbled) EARLY LEAVING. NINE FIVE FOUR NINE, FIVE SEVEN
NINE INTEND TRANSFER ONE ZERO ONE FIVE TWO SIX TO CASE OF NE-
CESSITY. CABLE YOUR OPINION FORTYFOUR."

42925-45-E Canton 2-27-45
Portuguese Vice-
Consul

Shanghai 2-27-45
Portuguese Minister

"3. PLEASE INSIST URGENT REMITTANCE PROMISED 1946 SALARIES
DIFFERENCE BECAUSE BANK ASKING IMMEDIATE ADVANCES REIMBURSE-
MENT. KINDLY INFORM WHETHER POSSIBLE ARRANGE OFFICIALLY
SPEEDILY SENDING HERE THROUGH YOUR BANK FUNDS FOR FUTURE GRANTS.
INTEND ORDERING PAYMENT LEGATION ONE. THANKING YOUR ADVICE."

42374-46-E Shanghai 2-27-45
Egle

Canton 2-27-45
Hoffmeister, Swiss Consulate

"SHALL FEEL GRATEFUL IF YOU CAN TRANSMIT FOLLOWING TO BERN.
EITHER BY TELEGRAM OR MAIL "LAST MAIL RECEIVED FROM YOU DATED
THIRD OCTOBER". ARE YOU RECEIVING OUR MAILS, HAVE YOU RECEIVED
OUR TELEGRAMS UP TO NUMBER ONE NINE TWO INCLUSIVE. ARE YOU FOR
NEWS FROM INMATES THEIR RELATIVES AND FRIENDS SHANGHAI AND
TIENTSIN CONTINUALLY ENQUIRING". PLEASE ALSO WHETHER TRANS-
MISSION POSSIBLE."

42999-47-E Tokyo 2-27-45
'INTERCROSS'

Hongkong 2-27-45
Kindel Red Cross

"YOUR FOUR FIVE THREE SUGGEST YOU COMMUNICATE WITH GENEVA
VIA MAIL PROVIDED RATE SAVING. TELEGRAPH RATE SOMEWHAT SHARPER.
GENEVA EXPECTS TO CONTINUE EFFORTS OBTAIN RELAXATION PAYING
SMOOTH CONTINUATION COMMITTEES HUMANITARIAN TASKS AND FINANCIAL
SETTLEMENT SUGGESTS YOU USE MAIL FACILITIES WHEREVER YOU SHALL
CABLE SUMMARIES GENEVA. ARE ALSO INTERVIEWING."

Page 9

32145-42-0 Shanghai 2-27-45
TaiCanton 2-27-45
0001

"HAVE RECEIVED \$2,000,000.00 FROM TUNG YU LUNG. COMBUSTI
REPLY. (8070) (45)."

42203-43-0 O Nakone Miyasabita
(Japan) 2-24-45Berlin 2-24-45
Press Express Editions

31. THE DEPARTMENTS OF AGRICULTURE AND OF COMMERCE HAVE
UNOFFICIALLY SET THE PRODUCTION GOAL FOR SILK COCOONS FOR
THE FINANCIAL YEAR 1946. BY A REDUCTION OF 3,000 KAN (THE
One Kan - average 3.27 Pounds) AN OBJECTIVE OF 30,000 KAN
IS ACHIEVED. BY THE END OF FEBRUARY, FORMAL DECISIONS
FOR EACH DISTRICT SHALL BE PASSED, AFTER THE SILK COMMISSIONS
HAD THEIR LOCAL MEETINGS.

THE CABINET DECIDED TO FORM A PRICE-COUNCIL (OFFICE)
FOR WAR COMMODITIES. THE PRESIDENT OF THIS NEW, SUPERIOR
PRICE AGENCY IS THE PREMIER HIMSELF. THE NUMBER OF MEMBERS
IS LIMITED TO 15. FINANCE SECRETARY ISHIWATA HAS BEEN
NOMINATED VICE-PRESIDENT. THE REMAINING 14 MEMBERS ARE
FOR THE MOST PART FORMER MINISTERS AND PERSONALITIES BELONG-
ING TO THE HIGHEST ECONOMIC ADMINISTRATION CIRCLES. THE
WAR COMMODITIES PRICE COUNCIL HAS BEEN ASSIGNED TO CONTROL
IMPORTANT PROBLEMS OF WAR PRODUCTION POLITICS AND TO DECIDE
ON THE NECESSARY EXECUTIVE MEASURES; THE CHANGE OF EXISTENT
PRICE AGENCIES CAN BE ASSUMED THEREFROM.

THE SIGNIFICANCE OF THE MATTER . . . (unfinished).*

Page 3

42106-37-C Shanghai 2-27-45
514

Canton 2-27-45
Lin Wan Chih, Eastern Asia Maritime
Transportation Co.

"HIGH CONSUMPTION AT \$82,000.00. PLEASE CONTINUE TO SEND THE
AMOUNT TO BUY FOOD FOR HALF YEAR USE. THE EXCHANGE RATE IS
FAVORABLE. IF YOU REMIT \$500,000 TO SHANGHAI, WE CAN COLLECT
\$50,000.00 IN SHANGHAI. PLEASE REPLY." (THE AMOUNTS
\$500,000.00 AND \$50,000.00 given in message are doubtful and
probably wrong.)

41958-38-C Canton 2-27-45

Hoikow 2-27-45
3141

"MELON SEEDS (FOR FOOD STUFF) FROM PARCEL POST AND T SING'S
BUTTER AND BEB WAS FROM YULIN HARBOR WERE RECEIVED. ASK
TSING TO SEND ALL THE BUTTER AND CANNED GOODS STORED YULIN
HARBOR TO US."

42113-39-C Canton 2-27-45
5058, Chieh

Shanghai 2-27-45
6591

"DELIVERED \$500,000 TO PAO AGAIN. REPLY REQUESTED."

42218-40-C Shanghai 2-27-45
"Shanghai Office"

Canton 2-27-45
6328

"YOUR TELEGRAM (130) HAS BEEN NOTED. WE HAVE COLLECTED FOR
YOU THE (1117) AMOUNT OF \$10,000,000.00 FROM CHENG CHIN
(SPECIES BANK. THE SHANGHAI OFFICE OF CHENG CHIN BANK SAID
WHAT WE HAVE RECEIVED IS ACTUALLY THE (1120) AMOUNT FROM
TSUNG (THE MAIN OFFICE?) (2065) FOR US. HOWEVER, WE HAVE
RECEIVED ONLY THE (1116) AMOUNT ACCORDING TO OUR LATEST
WHAT YOU HAVE ASKED TO COLLECT ARE SEEMINGLY TWO DIFFERENT
AMOUNTS. PLEASE ADVISE IN DETAIL HOW MANY AMOUNT FROM "TANG
STUCK" TO (1117). ALSO TRY TO FIND IT OUT WITH THE CANTON
OFFICE OF CHENG CHIN BANK."

42143-41-C Shanghai 2-27-45
Tai

Canton 2-27-45
2000

"HAVE RECEIVED \$2,000,000.00 FROM T'UNG HAO. (4360)."

Page 7

42183-31-C Shanghai 2-27-45
1858Canton 2-27-45
8787

"HAVE RECEIVED FROM TAI SHUN CHAN AND TAO HSING 51,000,000.00
RESPECTIVELY. HUANG AT 248, RICH 805, OIL 800."

42195-32-C Shanghai 2-27-45
Kuang, (980)

Canton 7666, 2-27-45

"MONEY READY. EXCHANGE RATE HIGH. SHALL WE REWITE 6712
BROCADE DIFFICULT TO SELL. CAN YOU BRING IT?"

42370-33-C Shanghai 2-27-45
1125, Ch'angCanton 2-27-45
9834

"PRICES OF MERCHANDISE IN SHANGHAI IS DECLINING. EXCHANGE
RATE IS HIGHER. POSTPOSE PURCHASE OF STORE AND HOUSE. PLEASE
DESIGNATE DATE ON TELEGRAMS FROM NOW ON."

42197-34-C Shanghai 2-27-45
Tai, (31)Canton 2-27-45
2009

"NOTED. IN MY 29TH TELEGRAM I HAVE REPORTED THAT \$4,000,000
WAS DELIVERED TO LU TIEN YU AND \$62,000 TO LI FEN."

42169-35-C Shanghai 2-27-45
HelenCanton 2-27-45
3300

"RECEIVED MERCHANDISE OF (83) (92) (95) (96) ARRIVED BY BOAT.
THE NUMBERS OF (97) AND (99) "IXSO" MERCHANDISE HAVE NOT YET
BEEN FOUND OUT BECAUSE 65 PACKAGES OF THEM ARE MR. HEN'S.
THEREFORE, NO PROCEEDS FROM MERCHANDISE SENT."

42183-36-C Shanghai 2-27-45
KuangCanton 2-27-45
3371

"NOTED. \$150,000.00 HAS NOT YET RECEIVED. FAT, WERN AT
\$5,000.00 - SELL 20 FIGURS AGAIN. FIND OUT THE QUANTITY
STILL ON HAND. REPLY. THE EXCHANGE RATE CONTINUES RISING
TO 535. SEND T'G NO'S AMOUNT TO US IMMEDIATELY."

Page 6

INDEX NO. 112

42191-26-C

Shanghai, 264, 2-27-45
Tsien Cheng

Canton 2-27-45

3rd Floor, 604 I Teh Rd., Immediate
transfer to Yang Tsiok Ping & One Son

"RECEIVED \$700,000 FROM KUNG HO TODAY FOR KAI HUIAO. THIS BE-
CAUSE PRICES FOR COMMODITIES ARE RISING SO RAPIDLY AS TO HAVE
GREATLY EXCEEDED OUR BUDGET, WE ASK FOR YOUR SUPPORT TO MEET
OUR NEEDS."

42224-27-C

Shanghai 2-27-45
0445 (Cable Address?)

Canton 2-27-45

6328

"TSUN (YOURST) (113), TAO (23) AND TAI (TAIHAN BARRY) (223)
\$10,000,000.00 AT (OR WITH) \$84,000.00 INTEREST. CHIN (118),
TAO (26) AND TAI (24) \$15,000,000.00 AT (OR WITH) \$41,000.00
INTEREST. CHIN (22/1), TAO (22) AND TAI (23) \$60,000,000.00
AT (OR WITH) \$397,000.00 INTEREST. CHIN (24), TAO (25) AND TAI
(26) \$10,000,000.00 AT (OR WITH) \$62,000.00 INTEREST. ALL
(223) HAVE BEEN TAKEN CARE OF BY BIRD. YOUNG (HEAD OFFICER?)
(636) to (643) (9841) . . . (obscure) on 2502. (6449)."

42177-28-C

Shanghai 2-27-45
51 (1105)

Canton 2-27-45

4723

"SOLD 20 FEET OF SATIN AT 26. NOW REDUCE TO 24. ALREADY
DELIVERED \$5,500,000.00 THERE ARE APPROXIMATELY \$300,000.00
ON HAND. NO MARKET FOR LANG (a kind of cloth). FU -(indi-
cates medical herbs) (31000)(32000) CASSIA BARK (21000) CHI
TS'EN (30000) TS'EN WANG (Scutellaria Baicalensis) (40000)
CH'IAO AND CHIEU (32000 DATE (60000))."

42376-29-C

4222

Nanking 2-27-45
204

Canton 2-27-45

Chao Shan Liu, 6 Ch'ao Hsing St.
West Shih Jen Chi Road

"BANKS DO NOT ACCEPT REMITTANCE AT PRESENT."

42371-30-C

Shanghai 2-27-45
1127

Canton 2-27-45

4545

"RECEIVED \$400,000. EXCHANGE RATE IS FAVORABLE. PLEASE REMIT
MORE SPARE MONKY. REPLY THE AMOUNT TO BE DELIVERED TO SUN JI
CHEN."

Page 4

48275-21-J Shanghai 2-26-45
Ichi - 26th

Tokyo 2-26-45
Marine Business Dept., Nihonbashi,
Nihonbashi

"MIKA & COMPANY. TOBACCO MATCHES, 15,000,000 DOLLARS. 5000
4,000,000 DESTINED FOR TIEN-SHENG-CHIANG. LOADED ON MOTOR
SCHOONER 40 TONS "CHIDORI MARU" OWNED BY MANCHURIAN COMPANY
(JAPAN INCORPORATED). FPA FIRE INSURANCE DAILY RATE 7.5 PER 100
3 SEN, TOTAL 42 SEN. WE HAVE ASKED THE ABOVE TO THE GOVERNMENT
RE-INSURANCE EAST ASIA COMPANY. DATE OF SAILED AROUND THE 6TH.

Lloyd's Register does not list the "Chidori Maru" referred to
in messages 21 and 22 of this Index. Tien-Sheng-Chiang is on
the Yangtze river, north of Shanghai.

41996-23-J Hongkong 2-26-45

Shanghai 2-26-45
Shipping Dept., East Asia Marine
Transportation Co.

"REFERRING TO OUR WIRE OF THE 19TH DAY, WIRED, ADDRESSED TO
CAPTAIN KATSU OF THE OSAKO MARU, INVESTIGATE AT ONCE REGARDING
THE WIRE ROPE. ANSWER."

Lloyd's Register does not list the "Osako Maru".

41833-24-J Kobe 2-23-45
(Post Office)
Furuya

Shanghai 2-23-45
Director Kimura, Repair Factory,
Kachiu Transportation, Broadway Rd.

"REGARDING THE ADVANCED MONEY YOU REQUESTED ON THE EXPORT VOUCHER
#846. FIVE PIECES OF OSHIMA FREIGHT ABOARD THE "KOBE MARU". THE
FREIGHT AND OTHER EXPENSES ARE 3,455 DOLLARS 44 CENTS AND HAVE
BEEN PAID AS 35 PIECES OF FREIGHT FOR FURUYA ON OCTOBER 15TH.
INVESTIGATE AND REPLY IMMEDIATELY."

Lloyd's Register does not list the "Kobe Maru".

35398-25-J Shanghai 2-21-45
China Transportation Co.

Hankow Special Section 2921-45
Mankyu

"THE GOODS DESTINED TO YOUR PLACE HAD BEEN DESPATCHED FROM YANGOU
FOR TIENSHIN AND HAVE BEEN PURCHASED SINCE FEBRUARY 6TH. HOWEVER,
THE CONTACT HERE IS INSUFFICIENT AND WE FEEL THAT DESPATCHING ON
THE 6TH, 7TH AND 8TH, APPROXIMATELY 4 CARS PER DAY, IS WASTEFUL.
WE HAVE ALREADY RECEIVED APPROVAL FROM YATSU IN TIENSHIN TO
CHANGE THE DESTINATION TO HANKOU BUT IN ORDER TO MAKE SURE OF
THIS DECISION, PLEASE GET IN TOUCH WITH SHIHO (CREDIT) MARK HAN.
FURTHERMORE, REGARDING THE NOTICE OF SHANGHAI THERE HAVE BEEN NO
ARRIVALS SINCE THE 3RD; THEREFORE, PLEASE COMMUNICATE IMMEDIATELY."

Page 4

41937-18-J Tokyo 2-26-45
East Asia Section

Hongkong 2-26-45
KINUTAMA

"REGARDING THE RISE OF KOKUSAI KOKYU KOSHA (INTERNATIONAL PUBLIC WELFARE ASSOCIATION) APPROVAL HAS BEEN MADE ON THE BASIS OF INCLUDING THE FIVE WAREHOUSES OF LIMITED CONTROL. AMOUNT OF WAREHOUSES IT IS 230,000,000 YEN (ONE TERM AMOUNT 100,000,000). ALLOTMENT TO GOVERNMENT RE-INSURANCE 70 PERCENT. INCLUDING HONGKONG WAREHOUSES IS 30,000,000 YEN (ONE TERM AMOUNT 10,000,000) 25 PERCENT. PLEASE OPEN TO PUBLIC THE PRESENT CONTRACT ON THE SAME DATE."

40498-19-J Tokyo 2-22-45
Shimbashi, Marine
Affairs Dept.

Hongkong 2-22-45
East Asia Marine Transportation Co.

"REGARDING THE LARGE INCREASE OF PRICE FOR THE CREW'S BEST HOTEL, WHICH WAS MENTIONED IN YOUR TELEGRAM OF JANUARY 31TH, THE CONTENTS OF YOUR TELEGRAM IS NOT CLEAR, PLEASE TELEGRAPH AGAIN."

42266-20-J Shanghai 2-26-45
Japan Fire Ins. Co.

Tokyo 2-26-45
East Asia Re-Insurance Co.
Kanda

"REGARDING THE PREVIOUS TELEGRAM OF MANWA. LOADED ON THE "HOKKAI MARU". RATE FOR QUANTITY DESTINED TO DAIKEN - THE IRIND KEN, 13 SEN. FREIGHT FOR MOVING FURNITURE 10.4 SEN. DESTINED FOR TSINGTAO 8.8 SEN. PLEASE CHANGE AS ABOVE. 28TH."

Lloyd's Register lists two ships by the name of "HOKKAI MARU" either of which could be the one referred to in the above message.

42263-21-J Shanghai 2-26-45
Japan Fire Ins. Co.

Tokyo 2-26-45
East Asia Re-Insurance Co.
Kanda

"MIKA & COMPANY - MATCHES, TOBACCO 25,000,000 DOLLARS. 252P 4,000,000 DOLLARS. LOADED ON MOTOR BOAT 40 TONS "HOKKAI MARU" AROUND THE 28TH DESTINED FOR TIENTSIN. P.P.A. FIRE INSURANCE DAILY RATE 7.7 MADE 42. FOR THE ABOVE APPLY THE GOVERNMENT RE-INSURANCE 28TH - SHANGHAI."

Page 3

INDEX NO. LIA 2-1-45

41013-13-J Shanghai 2-26-45
IwaiOsaka 2-25-45
Kamejima Sabachi, Mitsuo, Mitsuo
Toyoso Gun

"THERE IS 1,000,000 BUT I HAVE TO DISPOSE OF MY APARTMENT, AND I THINK I HAVE TO GIVE ABOUT 100,000 TO CHUYOH."

41858-13-J Tientsin 2-25-45
HayamaShanghai 2-25-45
Okira Bone, New Asia Hotel
Kita Shisen Road

"PLEASE ACCELERATE THE TRANS-SHIPMENT FROM TIENTSIN 60 PIECES OF TIRES REPAIRED TODAY, WHICH ARE AT THE KUKUBAI TRANSPORTATION COMPANY (INTERNATIONAL)."

41412-14-J Tokyo 2-25-45
Takema FukuiShanghai 2-25-45
Soseki Kanaya, Fukui Shoji Soka,
Room 3, No. 226
Siason Rd.

"HAVE SEEN THE WIRE. EVEN IF THERE IS A LOSS YOU MUST DISPOSE OF OUR STOCK WITHIN 23 DAYS AND RETURN THE MONEY TO THE BANK OF KOREA TOGETHER WITH OUR BALANCE OF CURRENT DEPOSIT ACCOUNT. REGARDING MY WIFE, AFTER SHE GIVES BIRTH TO A CHILD WILL RETURN TO JAPAN. I WILL ASK YOU TO DO WHATEVER YOU CAN. I HAVE PREPARED THE RESIDENCE. REPLY IMMEDIATELY."

40709-15-J Shanghai 2-22-45
KanodaWuhu, (Nam Anhwei, near Hanking)
Taisan (2-22-45)

"DO NOT SELL THE BAMBOO AT WUHU, LARGE BAMBOO 200,000, SMALL BAMBOO 500,000. 750 SET SOLD AT SHANGHAI."

41425-15-J Saigon 2-24-45
(French Indo-China)Hongkong 2-25-45
East Asia Marine Transportation Co.

"(P TIRG- Not clear.) THERE IS NO EXCESS RICE AROUND HERE."

41985-17-J Hongkong 2-26-45

Shanghai 2-26-45
General Affairs Dept., East Asia
Marine Transportation Co.

"SUPPLY OF OIL FOR THE ENGINES HERE IS DIFFICULT, THEREFORE CONTACT EVERY BOAT AND SUPPLY AT YOUR PLACE."

Page 2

INDEX NO. 118 2-1-45

41150-8-J Seishin, Korea 2-23-45
Hoshi

Niigata 2-23-45
(Niigata Pref.)
Agency of Japan Marine Steamship Co.

"MI 20. THE 400 BALES OF COTTON SHIPPED ON 'JIHAMA MARU'.
PLEASE TAKE CUSTODY OF IT FOR SOME TIME, AS THE OWNER IS GOING
TO YOUR PLACE."

Lloyd's Register does not list the "Jihama Maru".

41314-7-J Tokyo 2-26-45
(Post Office)

Tientsin 2-26-45
Nijutama Insurance Co.

"YOUR WIRE OF THE 6TH. THE CABLE LOADED ON THE TRAIN FOR HIDAM.
ONE SHIPMENT MUST BE OVER 10,000,000 YEN, UNDER THAT FIGURE BE-
FORE SENDING (TW: ~~Yone~~ word not clear) SEND US AN EXPEDITED
SCHEDULE NOTICE."

41994-8-J Hongkong 2-26-45
Takanaga

Peking 2-26-45
Machinery Section, MitsuiBussan

"PLEASE COMMUNICATE MATSUOKA. REGARDING THE POSTPONEMENT OF
5,000 KILOS. SINCE THE MARU - AUTHORITIES ? HERE DO NOT KNOW,
PLEASE ASK THE MARU - AUTHORITIES ? AT YOUR PLACE TO KIND
IMMEDIATELY. AS SOON AS THERE IS TRANSPORTATION, I WILL RETURN
WITH YASUDA."

41808-9-J Shanghai 2-23-45
Kitamoto

In front of Hosen Station 2-23-45
Enmei Hou, c/o Brick Union

"LOAD IMMEDIATELY 2,600,000 ON THE 16 BOATS. REGARDING OPERATION
CONTACT." (TW: rest not clear.)"

41809-10-J Shanghai 2-23-45
Kitamoto

In front of Hosen Station 2-23-45
(Chosen ?)
Kenashiro, Brick Union

"LOAD IMMEDIATELY 2,600,000 ON THE 16 BOATS. DO YOUR BEST."

41807-11-J Shanghai 2-23-45
Marukawa

In front of Hosen Station 2-23-45
Yanoto Kagami, c/o Brick Union

"THERE HAS BEEN A COMMUNICATION FROM SHURI OYAMA TO LOAD
600,000 ON 16 BOATS."

LOS ANGELES

CONFIDENTIAL

RADIO INTERCEPT DAILY INDEX NO. 118

1 MARCH 1945

MSG. NO.
AND LANG.

FROM

TO

42073-1-F
Tourane 2-27-45
Tan-Ky
Telephone & Telegraph

Hanoi 2-27-45
Post Sub-Direction

"NO. 145. HAVE NO MORE ?? DUE TO WOLSE (TELEGRAPH) BREAKDOWN. OBLIGED IF YOU GIVE ORDERS TO THE EFFECT THAT TRANSMISSIONS AND RECEPTIONS BE GIVEN BY TELEPHONE. PLEASE LOAN US, IF POSSIBLE, 3 KILOGRAMS OF PUMICE-PAPER."

42276-2-J
Shanghai 2-26-45
Japan Fire Ins. Co.

Tokyo 2-26-45
Kanda Ward, East Asia Re-Insurance Company

"MANTOSEN, BAIKO (KOREA) 353 TONS COAL AT \$4,710,000 DOLLARS FROM MANTOSAN HANKING LOADING ON 5 LIGHTERS PULLED BY TWO BOAT KIKU MARU ABOUT THE 28TH. P.P.A. 85 SEN. APPLY THE ABOVE TO GOVERNMENT RE-INSURANCE."

42253-3-J
Shanghai 2-26-45
Ishi

Nishimbashi, Tokyo 2-26-45
Business Dept. Nishikubo Fire Ins.

"MANTOSAN, BIAKO (KOREA) 353 TONS COAL AT \$4,710,000 DOLLARS. FROM MANTOSAN TO HANKING, LOADING ON 5 LIGHTERS, PULLED BY TWO BOAT 'KIKU MARU' ABOUT THE 28TH. P.P.A. 80 SEN. WE HAVE APPLIED FOR THE ABOVE TO THE GOVERNMENT EAST ASIA RE-INSURANCE."

Lloyd's Register lists several ships as "Kiku Maru", referred to in Messages 2 and 3 of this index.

41111-4-J
Kobe Post Office 2-23-45
Kobe City 4

Tientsin 2-23-45
17 Shima Co., 148 Nakani,
24 Kanda

"WE SENT YOU A DOCUMENT CERTIFYING THE SHIPPING MISTAKES."

41331-5-J
Tsingtao 2-23-45

Hankow, (Shima Pref.) 2-23-45
Daihan

"WE HAVE BEEN IN NEGOTIATING AT WILSON (Shima Pref.) FOR THE SHIP."

FROM: MANILA 10/20/44
MINISTER SISON
CHIEF DELEGATE OF THE
PRESIDENT AND INSPECTOR
OF MARTIAL LAW

TO: CEBU 10/23/44
MILITARY GOVERNOR MILITARY
DISTRICT NO. 6

SUPPLEMENTING OUR TELEGRAM TO YOU DATED THE TWELFTH INSTANT RE
RECRUITMENT OF LABOR AS NEEDED BY THE IMPERIAL ARMY AND NAVY IN
YOUR JURISDICTION FOLLOWING IS ADDITIONAL BEING REQUIRED BY IM-
PERIAL NAVY COLON PARAGRAPH FOR CEBU COLON UNIT 3007 ORDINARY
LABORERS 500 SEMICOLON UNIT 3023 ORDINARY LABORERS 1000 SEMICOLON
UNIT 3043 ORDINARY LABORERS 100 SEMICOLON UNIT 3007 WOODWORKERS
100 SEMICOLON UNIT 3007 MECHANICS 50 SEMICOLON UNIT 3043 COASTAL
BOAT DRIVERS 100 SEMICOLON UNIT 3008 WOODWORKERS 100 SEMICOLON
UNIT 3008 MECHANICS 20 DASH TOTAL FOR TACLOBAN 420 PARAGRAPH FOR
BACOLOD COLON UNIT 3024 ORDINARY LABORERS 500 DASH TOTAL FOR
BACOLOD 500 PARAGRAPH FOR FURTHER DETAILS REGARDING MATTER REFER
LOCAL NAVY REPRESENTATIVE STOP PLEASE TAKE APPROPRIATE ACTION TO HAVE
DESIRE NUMBER LABORERS RECRUITED IMMEDIATELY.

To: LT. ROBERT THRUN

Please take this material that I
have gotten from Lusey and put
it together consecutively so I
can give it to Gen. Hurley.

W.J.D.

8 March 1945

OSS Form 1054
(3308)

Director's Office

Page 5

INDEX NO. III 2-26-45

41471-20-C Tientsin 2-26-45
Tau

Shanghai 2-26-45
4004

"PLEASE REPLY UPON DELIVERY OF \$1,000,000 TO SHANGHAI UNIT THIS MORNING."

41482-21-C Tientsin 2-26-45
Mo1

Wush 2-26-45
8940

"DELIVER \$1,300,000 TO CHRISTIAN HSIUNG YEH (BANK) ON MARCH END. MUST NOT FAIL."

41732-22-C Peking 2-26-45
Chih

Nanking 2-26-45
Li Kuang Ming, Dept of Political
Training, Military Council

"AMOUNT FROM BANK HAS BEEN RECEIVED. SISTER-IN-LAW DOESN'T KNOW."

41731-23-C Chengting (Hopei) 2-26-45
You

Nanking 2-26-45
Lo Shao - P'ing, Infantry Platoon,
Disciplinary Corps, Central
Military Officers Training Regiment

"RETURN IMMEDIATELY BECAUSE MOTHER IS VERY ILL. AMOUNT FOR TRAVELLING EXPENSES WAS SENT YOU YESTERDAY."

41725-24-C Tainan 2-26-45
Yung Chu (0026)

Shanghai 2-26-45
3126

"ACCORDING TO SUNG CHAI'S PREVIOUS TELEGRAM, AUTHORIZED TO SELL PAPER AND HEMP AT HALF OF EACH OF THE AMOUNT. THE TEA ALREADY SENT OUT FROM TSI NAN. PLEASE REPLY AFTER RECEIVING IT."

Page 4

INDEX NO. 111 2-25-45

39926-14-J Tokyo Post Office 2-21-45 Keijo, Korea 2-21-45
Wa
Lehiro Kawasaki, c/o Chosen Daehang-
chiku Gyokai, 111 Kasugawa Bunko,
Naka Ku

"REGARDING THE IMPORTATION OF LABOR, FOR THE 44 HAILO TEEN
THERE IS A CHANGE OF ASSIGNMENT OF 100 PERSONS NOT USED IN
KAWAGUCHI, AND THEY WILL BE IMPORTED TO US. THE DOCUMENT HAS
BEEN SENT IN TO THE PREFECTURAL AUTHORITIES, THEREFORE, PLEASE
TAKE CARE OF THIS MATTER."

40804-15-J Tokyo 2-22-45 Mongolia 2-23-45
Hsuankua, Chahar

"2000/ THE ASSIGNMENT FOR YOUNG VOLUNTEER CORPS (1) THERE ARE
55 MEN INCLUDING 30 MEN WHO WERE PREVIOUSLY UNDER INVESTI-
GATION AND CONSIDERATION. (2) THOSE ARE NOT FROM A GROUP IN-
TENDED FOR THE ONE BOUND FOR MANGOURIA, THEY ARE AN ENTIRELY
DIFFERENT OUTFIT. (3) A GROUP OF MEN SELECTED BY MINISTRY OF
WELFARE ARE ASSIGNED FROM THE MINISTRY OF GREAT EAST ASIA.
OFFICIAL NOTICE WILL BE MAIL ON 24TH OR 25TH."

41632-16-J Tsingtao 2-25-45 Azabu Ku, Tokyo 2-25-45
Iikura Yon Chomei, Wari Glimasa

SORRY I CAUSED YOU TO WORRY. WILL RETURN BY OVERLAND ROUTE
ABOUT THE MIDDLE OF MARCH."

41634-17-J Tsingtao, China 2-25-45 Akashi City, Hyogo Pref. 2-25-45
Mae Akashi Heibo, Masashi Minami

"WILL BE DELAYED A FEW DAYS. WILL RETURN BY OVERLAND ROUTE."

41361-18-C Tientsin 2-26-45 Shanghai 2-26-45
Kung (0534)

"DELIVER TO KUO HUA \$60,000."

C
41357-19-25 Tientsin 2-26-45 Shanghai 2-26-45
K'uan Yu Ju, Chu Pei, Teh Rd., 3 La Tsan
Fang

"TELL SISTER-IN-LAW THAT LOTTERY TICKET HAS NOT BEEN DRAWN.
DO NOT COME TO TIENSIN."

Page 3

INDEX NO. 111 2-10-45

41690-10-J Tsingtao 2-25-45
Natsuo

Otsuka (T) 2-25-45
Inako Ishihashi, 3 No. 377, Aoyama
Kashi, Asahi Ku.

"LEFT HERE BY OVERLAND ROUTE ON THE 24TH."

41646-11-J Tsingtao 2-25-45
Do

Otsuka 2-25-45
Inagaki, Hisako Ueno Shikai,
10 Hiden Sanchu, Wachi Ku

"SAW. REGARDING MY JOURNEY TO SHANGHAI, I CAME BACK INSURED
BY OVERLAND ROUTE. I WILL ARRANGE FOR MONEY BUT IT WILL TAKE
MANY DAYS."

40821-12-J Kochi Pref, Kure 2-23-45 Hainan 2-23-45
Ueta Ikuo Ueta
Yulin Nanko Co.,

"MR. MASATOSHI MATSUDA AND MR. ESUKE SHIMPU ARE INVESTIGATING
AND CONTACTING MR. MASATOSHI REGARDING THE BOAT. IT WAS
DISCLOSED BY MR. MATSUDA'S TELEPHONE INTERVIEW TODAY. IF WE
LEAVE THE BOAT MATTER TO MR. MATSUDA THERE IS NO NECESSITY FOR
EXPENDITURES IN OUR PLACE. WE ARE HAVING DIFFICULTY WITH
THE TELEGRAM ADDRESSES TO MR. MATSUDA AS THE TEXT IS NOT CLEAR.
ARE YOU IN GOOD HEALTH? REPLY IMMEDIATELY. WE ARE ALL WELL.
MR. MASATOSHI KNOWS ABOUT THE DISCHARGE. HE IS A FRIEND OF
ESUKE."

41012-13-J Shanghai 2-23-45
Yasuo Nakajima

Tayeh (Near Hankow) 2-23-45
Military Affairs Section, Consulate
Police Station

"PLEASE INFORM MR. NAGAWA WHO IS IN CHARGE OF THE BRANCH
OFFICE, THE DAY OF ROLL CALL FOR KIMURA, MIYAUCHI, SUINO AND
KOMURA. SINCE THEY ARRIVED HERE ON THE 21ST THEY WILL NOT
ARRIVE THERE ON TIME FOR THE ROLL CALL OF MARCH 5TH. PLEASE
MAKE SPECIAL ARRANGEMENTS."

Example of many messages dealing with induction into armed
forces of Japanese civilians abroad.

Page 2

INDEX NO. 111 2-22-45

41039-4-J Amoy 2-22-45
TokaiCanton City 2-22-45
Konksian, Hsi Seiko, 144 Takhai Rd."RECEIVED 50,000 DOLLARS. NEED 50,000 DOLLARS MONTHLY.
LEFT 50,000 DOLLARS."

41592-5-J Koriyama 2-23-45

Suankwa 2-23-45
Chahar Prov.
Kasuko Shibata, c/o Suankwa Co.,
Shotoku Sansho"ON ACCOUNT OF CONDITIONS OF TRANSPORTATION AS WELL AS BOAT
EXPECTED TO ARRIVE MARCH 7TH, PLEASE APPROVE."41623-6-J Tsingtao 2-25-45
FoiMorio 2-25-45
Shimo Pref.
Doikan"CB - IT IS EXPECTED THAT THE BOAT IS 250 TONS. PLEASE
INVESTIGATE THE POSSIBILITY OF GOODS FOR BATTLE WITH TABLE
SALT. Awaiting answer."

41620-7-J Tsingtao 2-25-45

Shimo Pref. 2-25-45
At Wada, c/o Katsuo Yasuoka,
Konishi Yachi, Jokencho,
Minsaiwa Gun"FREIGHT SHIPPED OVERLAND. DONE BY OVERLAND ROUTE. RATSUNE
GAVE ME. WAITING ANSWER."41800-8-J Canton 2-26-45
MitsuibussanFort Bayard 2-26-45
Mitsuibussan"409, BOTH HONGKONG 144 MAT-RUSH. THE 191,200 PIECES OF
MAT-RUSH ARRIVED AT HOIHO. YOUR SHIPPING NOTICE OF JANUARY
10TH STATED 181,600 PIECES. THE BALANCE OF 29,600 PIECES
WHEN WILL YOU SHIP?"

41478-9-J Hsiho 2-20-45

Shanghai 2-25-45
Doami, 79 Sanin Rd.

"THE CERTIFICATE OF THE 'CHISHO MARU' ARRIVED. WAITING FULLY."

Lloyd's Register does not list the "Chisho Maru".

CONFIDENTIAL

LOS ANGELES

RADIO INTERCEPT DAILY INDICI NO. 111

20 FEBRUARY 1945

MSG. NO.
AND LANG.

FROM

TO

41773-1-1

Peking 2-26-45
BrigidiPeking 2-26-45
Italian Embassy

"CAPTAIN KIRINUKA FROM THE JAPANESE GENERAL STAFF, COMMUNICATIONS SECTION, HAS PRESENTED HIMSELF TODAY, TOGETHER WITH MR. ASAMI, VICE-PRESIDENT OF THE TELEGRAPH AND TELEPHONE COMPANY. THEY JOINTLY ARRANGED THE BREAKING OF SEALS ON THE RADIO PREMISES (STATIONS), ACCORDING TO ORDERS WHICH THEY DECLARED, THEY HAD RECEIVED FROM THE JAPANESE GENERAL STAFF. A COMPLETE INVENTORY OF THE MATERIAL FOUND IN THESE PLACES HAS SUBSEQUENTLY BEEN MADE, TOGETHER WITH US AND EMPLOYEES OF THE AFORESAID COMPANY. THE KEYS OF SAID RADIO STATIONS HAVE BEEN LEFT WITH US, BUT THEY WISH THE MACHINERY LEFT AT THEIR DISPOSAL FOR TESTS AND INTEND TO PROVIDE MODIFICATIONS OF THE AERIALS AND THE ERECTION OF ANOTHER POST, PROBABLY IN ORDER TO CHANGE THE ORIENTATION OF SAID AERIALS. ON OUR PART, WE HAVE ARRANGED TO INFORM THE JAPANESE EMBASSY THAT WE RESERVE OURSELVES TO CONTACT THE JAPANESE GENERAL STAFF IN ORDER NOT TO DELAY THE ARRANGEMENTS. RIVA PEREZ."

May refer to the Italian Embassy station at Peking - formerly one kilowatt of power.

40373-2-J

Shanghai 2-22-45

Okayama Pref. 2-22-45
Kojima Gun, Madasaki, Oozahikowski
Isami Ireuei

"SEEN. PLEASE TAKE CARE OF IT. CAN YOU BUY THE SHIPT OUR COMPANY NEEDS THE SHIP. PLEASE BUY IT FOR ME AND COMMUNICATE REGARDING THE SHIP. AWAITING ANSWER, ISHIDA ANNBIKI INDUSTRIAL COMPANY, CHUSHIU ROAD."

41131-3-J

Osaka 2-22-45

Tientsin 2-22-45
Toei

"PLEASE ARRANGE 3RD SHIPMENT OF COTTON 30,000, SO SALES FOR 400 "SAI". WILL SHIP ABOUT 6 TONS. PLEASE REMIT HALF THE AMOUNT."

(TN: "Sai" may be overlead).

DETACH "YENAN ITEMS" FROM THE TWO SAMPLE COPIES OF OUR
"INDEX" WITH THE SPECIAL REPORT ON CONDITIONS IN KUOMINTANG
CONTROLLED AREAS, YOU HAVE A COMPLETE FILE OF THE LAST WEEK.

FROM: MANILA, JUNE 8, 1944 TO: MITSUBISHI SANGYOBU
MITSUBISHI MITSUBISHI INDUSTRIAL DEPT.
TOKYO

TIMBER CUTTING IN BATAAN: ORGANIZATION OF CREW FOR ORDERED: "WE
HAVE BEEN ORDERED TO UNDERTAKE PROJECT OF TIMBER CUTTING IN NEIGH-
BORHOOD OF MARIVELES, BATAAN. WILL GO THERE IN A FEW DAYS TO IN-
SPECT. WE HAVE BEEN ESPECIALLY ORDERED TO ACCOMPLISH THIS ENTER-
PRISE TO OVER COME THE INNUMERABLE DIFFICULTIES. PLEASE ORGANIZE
A 10 MAN OPERATION LEADER CREW FOR TIMBER CUTTING, TRANSPORTATION
AND RAFT MAKING AND DISPATCH THEM AT ONCE WITH AS MUCH EQUIPMENT
FOR THE POSSIBILITY OF WORK."

G.

COPY

AGI/12

SSDIB 091

4 August 1944

Mr. A.R. Lusey
Chief, Intercept Translation Unit,
Office of Strategic Services,
1227 Rowan Building,
458 South Spring Street,
Los Angeles 13, California.

Dear Mr. Lusey:

The material and information furnished this Headquarters by your unit from March 1944 to date has been of great value and assistance. Several Reports based on this material have been forwarded to G-2, War Department and are deemed by this office to be of value.

Your most helpful cooperation is appreciated.

Very truly yours,

ARTHUR C. HURT, Jr.,
Major, M.I.,
Executive Officer, Intelligence Branch.

ZIC/NDL1/AG-2
(PH-jbf)

Branch Intelligence Office

LA/ 4082 /bud ELEVENTH NAVAL DISTRICT

Fifth Floor, Van Nuys Building
Seventh and Spring Streets
Los Angeles, California

27 July 1944.

Mr. A. R. Lusey
Chief, Intercept Translation Unit
Office of Strategic Services
Rowan Bldg.
Los Angeles, California

Dear Mr. Lusey:

The material and information furnished this office by your unit from March 1944 to date has been of great value and importance. Numerous reports based on this material have been forwarded to the Director of Naval Intelligence, and these have been deemed to be of considerable worth.

The District Intelligence Officer greatly appreciates your most helpful cooperation.

Very truly yours,

O. H. MURPHY,
Commander, USNR.

Excerpts from letter dated 8 December 1944 from Lt. Comdr. F.M. Hanson, G-2 Section (OO) Advanced Echelon USAF, APO 472, San Francisco, Calif., addressed to Comdr. G.S. Perkins, District Cable Censor, Los Angeles, Calif:

"Hoover was delighted with that material I brought along from OSS, and would like more of the same - particularly intercepts having to do with the P.I. - there were no records left on this island, and the chances are that it will be a long time before we find anything of value so those intercepts would fill quite a gap for us here.

"It will be a great help if you can get copies of all of their intercepts and forward them on to me here - if you can't manage them through Postal Censorship, send them in with someone who is reporting to us here."

D.

Maj. Gen. W.J. Donovan

7 March 1946

The local office of ONI has made good use of our material; they have permission from the DNI to forward enemy maritime information direct to J.I.C.P.O.A. in Honolulu rather than go through the slow process of reporting through Washington. I attach hereto (as attachment "E") a letter from the commanding officer of the local ONI relative to our material. Naturally Comdr. Murphy was not allowed to say very much in his letter to me. However, I have personally seen some of the evaluations placed on our material and it rates very high. A Naval officer came through Los Angeles recently on his way to Washington from Honolulu. He made the flat statement that "these intercepts have been the means of sinking a number of Japanese ships."

Until the first of this year we also disseminated our material to the local MIS office. We have discontinued this on instructions from Washington. I attach hereto (as attachment "F") copy of a letter from the local MIS office.

I attach hereto (as attachments "G" and "H") two messages (one in Japanese language and one in Chinese language) as a sample of operational intelligence we have developed.

I attach hereto (attachment "I") a Morse code press broadcast from the Chinese Communist headquarters at Yenan. It deals with conditions in Chungking controlled China. I am sure you will find this of interest.

I also attach hereto (as attachments "J" and "K") two samples of our daily index---February 28 and March 1. Our index is disseminated locally to the ONI and to the MO training center on the Island. Copies are sent to the CD Branch in Washington who furnished a copy to Judge Allman for inclusion in his "Far East Log."

Since this entire operation was taken over by Lt. Comdr. Morgan, both he and Lt. Nicholson (who is in direct charge of the radio intercept program) have given us excellent support and are constantly striving to develop the Reseda facilities to the utmost. I was transferred to the CD Branch in the latter part of last year.

I am sorry that you have never found time on one of your flying trips through this city to go into this operation thoroughly. Reseda looks a lot different than it did the only time you ever saw it---as it was being built.

If there is any particular angle of this report you would like further information on I would be very happy to elaborate.

I am making this report to you personally because of the interest you have always shown in the Reseda station.

Sincerely,



A.R. Lusey

Maj. Gen. W.J. Donovan

2 March 1945

The geographical range of these intercepts is from Saigon in Indo-China to Manchuria and North China.

Our Translation Unit has grown with the increased demand for our material. At the present time we have the following personnel:

Japanese Language Translators	4
Chinese Language Translators	4 full time and 1 part time
German-French-Spanish Italian	1
Typists	2
Secretary	1
Administrative Ass't to Chief	1
	<u>14</u>

As far as this Los Angeles Unit is concerned, we have always concentrated on the selection and translation of operational intelligence from enemy commerial radiogram intercepts. We have had exceptionally good luck with merchant maritime information; up to 1 March 1945 we have developed (and furnished to the Navy) 271 references (by name) to enemy ships.

We attach heretofore (attachment "A") two sample messages referring to enemy ships.

Up to the time the Japanese controlled Filipino radio stations were closed we intercepted approximately 2,000 messages being handled between Philippine inter-Island points. To me these messages appeared extremely important, not only from an immediate operation intelligence standpoint, but more particularly as an information file to be used by our forces when they occupied the Philippines. I tried to sell these messages to everyone in the OSS but no one seemed to be particularly interested in them. The first reaction was always "FCC, Army or Navy are getting this same stuff." However, we could never actually pin any one intercept down and get any one to admit that there was a duplication.

I attach hereto (as attachments "B" and "C") two samples of inter-Island messages.

In the latter part of 1944 a Naval officer from the local Cable Censor's office was transferred to duty on Leyte. He asked for, and I gave him, a few samples of our inter-Island traffic.

I attach hereto, as attachment "D", excerpts from a letter he wrote to his former commanding officer requesting our entire file of some 2,000 messages. His commanding officer has since told me that this Naval officer wrote him our complete file had arrived and that "everyone was finding it of the utmost value and it was the best information that they had to date."

CONFIDENTIAL702 Bartlett Blvd
Los Angeles 14, Calif.
2 March 1945

12777

W. H. ...
...

Dear General:

I am sure you have never seen my several complete reports on the radio intercept operations here on the Coast. For this reason and because you should have time on your flight from here to Washington to look this stuff over, I am handing you a fairly comprehensive report covering all of last year.

In August 1943 you sent me to the Pacific Coast to make a survey of the possibilities for using the Reseda station.

In September 1943 I was preparing a complete report to you with recommendations for Reseda when Comdr. Vanderbilt suggested that I prepare a proposal and submit it to him; he, in turn, would endorse the proposal and submit it to you for your action.

In October 1943 I prepared such a proposal under the title "Pacific Coast Radio Intercept Censorship Plan and Project", and submitted it to Comdr. Vanderbilt. In December 1943 Comdr. Vanderbilt told me that you had approved this plan. Our Unit was finally activated in February 1944, operating under a directive from Comdr. Vanderbilt.

The Reseda station, at that time, had 3 operators. We started our Translation Unit with one Japanese language translator.

It has been a very difficult task to sell the various branches of OSS on the intercept material produced by Reseda and translated by this Unit. However, almost all branches of OSS are now thoroughly and enthusiastically convinced of the value of our material.

When we started in February 1944 Reseda was turning out about 150 commercial intercepts per day---the greater part of this was propaganda press reports. One year later, in February 1945, Reseda has 30 operators. They are turning out an average of 500 messages per day and the material is very selective; that is we have established certain circuits that produce the most valuable material and Reseda concentrates on these rather than on indiscriminate pick-up. A sample day's intercept volume is made up of the following languages:

276 Japanese
5 German
9 French

175 Chinese
1 Italian
24 English

SECRET

P.S. (Continued)

as to whether they were able to winnow sufficient valuable information from any of these sources to warrant the expense of the work. He further stated that his unit now received much more information of this type than they could possibly assimilate, and for that reason, he felt the discontinuance would not jeopardize their work to any appreciable extent.

H. F. C.

SECRET

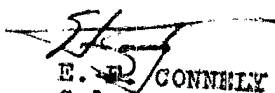
SECRET

The Director

-2-

10 May 1946

and that they are worth the money spent, or a fair proportion of it. The fact that it is of academic interest is not argument enough to continue it and, accordingly, their support of its continuation should be concrete and practical.



E. J. CONNELLY
Colonel, F. A.
Chief, Pacific Coast Area

cc: Col. G. Edward Buxton
Mr. Charles S. Cheston
Comdr. H. S. Morgan, USNR
Dr. William L. Langer

P.S. Since writing the above, Commander Morgan has phoned me, stating that one of the principal reasons for continuing this service is due to the demand of R & A for such service.

I talked to Bill Langer this morning, and the moment I explained the overall problem and mentioned the cost, he seriously questioned that their use warranted any such expenditure, but suggested to me that I talk to Marty Wilbur who is the one most familiar with the R & A use of this information. Wilbur told me that if it were their responsibility to ask for the continuation of this cost, he would not feel it was warranted; that they receive similar information from OWI, Civil Censorship, FCC, and other sources; and that there was a good deal of doubt in his mind

SECRET

STANDARD FORM NO. 64

088, San Francisco Office

SECRET**Office Memorandum • UNITED STATES GOVERNMENT**

TO : The Director

DATE: 10.14.54

FROM : Colonel E. F. Connelly

SUBJECT: Survey of the Usefulness of Station FBQ (Reseda and the Translation Unit (Los Angeles).

1. Colonel Buxton and I discussed the usefulness of Station FBQ (Reseda) and the Translation Unit (Los Angeles). The expense of these units is very substantial; it runs, roughly, a quarter of a million dollars a year, and it raises the question in my mind as to whether or not the dividends are commensurate with the investment. I told Colonel Buxton that I did not feel qualified to pass on this question, but I did think it my duty to recommend to you that a thorough study be made of this operation in an effort to determine whether or not its usefulness produces enough to warrant the expenditure.

2. From personal checking, I know that the Navy gets very little out of it. This may be, of course, their own mistake, because it is entirely possible that certain vital information could be useful to them if their channels were not so long. It takes quite a long time for some information to get from the ONI office in Los Angeles through San Diego to Washington, and out to the Hawaiian Islands. Commander Halliwell has stated that he did not find anyone using our information in the Islands. He, himself, does not care to receive the excerpts from intercepts that we sent him for a short time. These were received by him in three or four days time, but he found them of little interest. I understand that Judge Ailsan incorporates these messages in his Far Eastern Log. The question naturally arises as to whether or not such incorporation is a source of strategic information or in historical record. If it is only the latter, then there may be a serious question as to whether or not it is worth the candle. I have mentioned this to Harry Morgan this morning on the 'phone, as I did not want to have him think I was suggesting something to you without having him familiar with the case. He told me that he was very glad to have me bring this matter up for review, as my misgivings regarding the value of this operation echoed his own.

3. It therefore seems to me that these people who are asking that this service be continued should produce definite proof that the results obtained have real value.

SECRET

SECRET

The Director

-2-

10/19/48
 Approved by
 [Signature]
 10 May 1948

and that they are worth the money spent, or a fair proportion of it. The fact that it is of academic interest is not argument enough to continue it and, accordingly, their support of its continuation should be concrete and practical.

E. F. CONNELLY
 Colonel, F. A.
 Chief, Pacific Coast Area

cc: Col. G. Edward Buxton
 Mr. Charles S. Cheston
 Comdr. H. S. Morgan, USNR
 Dr. William J. Langer

P.S. Since writing the above, Commander Morgan has explained me, stating that one of the principal reasons for continuing this service is due to the demand of R & A for such service.

I talked to Bill Langer this morning, and the instant I explained the overall problem and mentioned the cost, he seriously questioned that their use warranted any such expenditure, but suggested to me that I talk to Marty Wilbur who is the one most familiar with the R & A use of this information. Wilbur told me that if it were their responsibility to ask for the continuation of this cost, he would not feel it was warranted; that they receive similar information from OWI, Civil Censorship, FOC, and other sources; and that there was a good deal of doubt in his mind

SECRET

OMU, San Francisco Office

M. Keaton

SECRET

The Director

10 May 1946

Colonel E. P. Connally

Survey of the Usefulness of Station HQ (Reseda)
and the Translation Unit (Los Angeles).

1. Colonel Buxton and I discussed the usefulness of Station FBQ (Reseda) and the Translation Unit (Los Angeles). The expense of these units is very substantial; it runs, roughly, a quarter of a million dollars a year, and it raises the question in my mind as to whether or not the dividends are commensurate with the investment. I told Colonel Buxton that I did not feel qualified to pass on this question, but I did think it my duty to recommend to you that a thorough study be made of this operation in an effort to determine whether or not its usefulness produces enough to warrant the expenditure.
2. From personal checking, I know that the Navy gets very little out of it. This may be, of course, their own mistake, because it is entirely possible that certain vital information could be useful to them if their channels were not so long. It takes quite a long time for some information to get from the ONI office in Los Angeles through San Diego to Washington, and out to the Hawaiian Islands. Commander Halliwell has stated that he did not find anyone using our information in the Islands. He, himself, does not care to receive the excerpts from intercepts that we sent him for a short time. These were received by him in three or four days time, but he found them of little interest. I understand that Judge A. L. West incorporates these messages in his Far Eastern Log. The question naturally arises as to whether or not such incorporation is a source of strategic information or an historical record. If it is only the latter, then there may be a serious question as to whether or not it is worth the candle. I have mentioned this to Harry Korgin this morning on the phone, as I did not want to bias his thinking. I was suggesting something to you without having his familiarity with the case. He told me that he was very glad to have me bring this matter up for review, as my misgivings regarding the value of this operation echoed his own.
3. It therefore seems to me that those people who are asking that this service be continued should produce definite proof that the results obtained have real value.


SECRET

- 4 - SECRET

(c) MIS. Lt. Col. Huddleston, Assistant to the Director of Intelligence, MIS, has informed us that if for no other reason the entire operation is justified by the information which has been furnished MIS on Japanese order of battle. He considers this of such value that he has requested that such items be eliminated from the "Log", and disseminated only to the Army and Navy. He has also designated certain circuits that MIS would like to have us monitor.

5. As regards the dissemination of material to the Navy, an arrangement is in effect by which the Translation Unit in Los Angeles makes available immediately to the local ONI office any item which appears to be of operational value. ONI in Los Angeles, with the understanding and consent of ONI in Washington, may send such information direct to Pearl Harbor without further reference to Washington.

6. It would appear, therefore, that the present operations of FBQ at Reseda and the Translation Unit in Los Angeles are of value to OSS and to the war effort and should be continued.


John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

SECRET

- 3 - SECRET

that his section would like to receive such selected intercepts as this office would furnish him".

Captain Murray, Chief of the Order of Battle Section, states that he is working very closely with the FESI on this material, which is "exceedingly important and valuable".

- (c) Finance. Mr. Bigelow states that he is very keen on the material which he is receiving, which has value both for the purpose of SAFEHAVEN, and for furnishing foreign monetary values, which he has often been unable to secure elsewhere.
- (d) X-2. Col. Pfaff reports that while some material of a CE nature was secured from the Philippine Islands, since their capitulation there has been practically nothing of value to X-2.
4. Outside of OSS, the material is used by:
- (a) FCC. The FCC has found the material to be of use in supplementing and substantiating Japanese Domei and Home and Empire Broadcasts. Personalities in the intercepts help spot influential companies throughout Asia, and is used by FCC officials for reference purposes.
- (b) FEA. The material is being used by this Agency for the same general purposes that it is by R&A, and is stated by responsible officials to be considered valuable.

SECRET

- 2 - **SECRET**

3. Within OSS, the material is used by:

- (a) R&A. Dr. Langer states that FE, R&A, considers this material valuable and would regret very much having it discontinued. It is used in studying Japanese industries in occupied countries, in estimating the extent of Japanese production, in analyzing the emphasis and priority given to different types of industry, in surveying the influence of Japanese cartels on local puppet governments and the importance of Japanese technicians and personnel, and in disclosing the transference and relocation of Japanese industry.
- (b) SI. Mr. Shepardson states that FESI values the material, as the messages are authentic communications within the inner zone, and provide factual information against which our own field intelligence can be checked. The monthly analysis of trends is considered of special value.

Col. Dix states that the "intercepts are of considerable value to the Technical Section, and to the Army Offices and Navy Bureaus which the section serves. Often the text refers directly or indirectly to Toledo, Chemical Warfare, or other technical subjects..... The Chief of the Technical Section, WDMIS has personally expressed appreciation for the screened intercepts we have sent him, and a representative of ONI has stated

SECRET

SECRET

OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

23 May 1945

To Mr. Chester
JFB

15747
CONFIDENTIAL
SECRET

MEMORANDUM FOR THE ACTING DIRECTOR

Wm. The memorandum
J. J. Pen. Mag. Under
with complete
J. W. Hamilton
Director

SUBJECT: Station FBQ and L.A. Translating Unit.

1. I have discussed Colonel Connely's memorandum of 10 May 1945 with the chiefs of the interested Intelligence Branches, and have had Lt. Col. Sands, Chairman of the Radio Advisory Committee, investigate the matter in detail through his Committee.

2. The commercial radio traffic monitored at Reseda and translated in Los Angeles has become in the last few months of increasing intelligence value. This has been due to the closer direction given the station by the Radio Advisory Committee, which has resulted in an increase in the quantity and quality of the personnel handling the traffic, thereby enabling a more complete coverage of important circuits, a decrease in the time necessary for processing from three weeks to an average of less than one week, and a more satisfactory form of dissemination through the Reporting Board.

Often the intelligence value of this material is not readily apparent, and its proper evaluation only determined when it is studied carefully over a period of time, and in connection with information from other sources bearing on the same subject. These intercepts constitute virtually our only source of information originating directly in Japan, Formosa, Korea, and Manchuria and are, in addition, up to date and unusually reliable.

SECRET

10/7/45

~~Communication Branch~~
X Reseda X Radio
+ Personnel

General Donovan
H. S. Morgan, Comdr., U.S.N.R.
Radio Monitoring at Reseda

29 August 1945

Military

1. In order to follow out your policy of an orderly liquidation of those portions of OSS which would not be required for a permanent agency, I recommend that operations at Reseda be discontinued 1 October 1945. This seems an appropriate moment as by that time Allied forces will have occupied Japan for over a month and monitoring censorship will presumably be installed and provided supervision of commercial channels of communication.
2. General Magruder and the Radio Advisory Committee concur in the above.
3. I recommend that the cover corporation, F.S.Q. Co., Inc., then be dissolved, that equipment which the Communications Branch does not wish be turned over to the proper surplus property disposal agency, and that the same be done with the two stations.

H. S. Morgan
H. S. Morgan

Copy
Original Approved
by WFD
8/28/45
taken by Commanding Officer

CONFIDENTIAL

12, 1947

Communications Branch

X Radio Station

11 September 1947

X Bellmore

MEMORANDUM FOR THE SECRETARY OF THE NAVY:

SUBJECT: Acquisition of F.B.Q. Property at Bellmore,
Long Island

1. Reference is made to the radio receiving station at Bellmore, Long Island, formerly operated for this agency by F. B. Q. Co., Inc., a corporation controlled by this agency and the stock of which is wholly owned by the United States. The real property in question, which is owned by F. B. Q. Co., Inc., in fee simple is presently under lease to the United States Navy without rental charge.

2. In view of the cessation of hostilities, the need for this agency to continue this operation in the name of a private corporation no longer exists, and we are planning to dissolve the corporation immediately. It is our understanding, however, that the Navy wishes to continue its present operation at the Bellmore station and has expressed a desire to acquire title to the real property in order that it may do so.

3. In the national interest, this agency is prepared to cause F. B. Q. Co., Inc., to transfer title to the real property, including all improvements and fixtures, to the United States of America as represented by the United States Navy. Inasmuch as the property was acquired with United States funds, it seems appropriate that such transfer be made without monetary consideration. If the Navy is willing to accept a deed on behalf of the United States, the details can be worked out by our representatives.

4. In view of the urgency of the situation, an immediate reply is requested.

WILLIAM J. DONOVAN
Director

WRS:rlc

CONFIDENTIAL

DATE 11 Sept. 1945

TO: General Donovan

1) Commander Morgan and Lt. Comdr. Nicholson have discussed with the Navy the disposition of the P.C.C. property at Bellmore. The Navy has informally agreed to take a lead to the real property, and we believe this would be desirable from our viewpoint in dissolving P.C.C. and liquidating its affairs.

2) If you approve the transfer, it would be appreciated if you would sign the attached letter to the Secretary of the Navy. Comdr. Nicholson will take the letter to the officer in the Navy Dept. with whom he has discussed the matter, and who is going on inactive duty on Thursday.

JCS
John R. Schoemer, Jr.
Assistant General Counsel
Office of the General Counsel

Approved by Capt. [Signature]

(42934)

In reply refer to
Serial and No.

OFFICE OF STRATEGIC SERVICES
NAVAL COMMAND
WASHINGTON, D.C.

NavLiaisonDiv
R507005
DR:fxe

CONFIDENTIAL

3 July 1945

MEMORANDUM FOR The Director's Office.

SUBJECT: Ltr., dated 29 June 1945, from Andrew J. Murphy, Jr.,
Head, Real Estate Division, to Brigadier General
John J. O'Brien, Head, Real Estate Division, Corps
of Engineers, War Department, re Radio Receiving
Station, Bellmore, L.I., N.Y.

Enclosure: (A) One (1) copy of subject letter.

- 1. Enclosure (A) is forwarded for your information.

Daniel Ravenel, Jr.
Lt. Comdr., U.S.N.
Naval Liaison Officer.

CC: Comdr. H.S. Morgan.
(π/encl)

CONFIDENTIAL

COPY
18

ND3/WP-13
F-5-24 BB

CONFIDENTIAL

Serial YD 9662

CONFIDENTIAL

20 June 1945

To: Brigadier General John J. O'Brien
Head, Real Estate Division
Corps of Engineers
War Department

Subj: Radio Receiving Station, Bellmore, L.I., N.Y.

1. For the past two and one-half years, the U. S. Navy Radio Security Activity has been located at Maple Avenue, Bellmore, L.I., New York, using the Radio Receiving Station owned and maintained by the Office of Strategic Services.
2. The Navy Department has been advised that the Office of Strategic Services will secure their activities, as of 1 July 1945, but will retain ownership of the property.
3. Therefore, it is requested that the War Department grant to the Navy Department a permit for the duration of the war and six months thereafter, but revocable on sixty (60) days notice by the Office of Strategic Services, for the use of the subject property.

By direction of the Chief of the Bureau of Yards and Docks.

ANDREW J. MURPHY, Jr.
Head, Real Estate Division

DC: CNO
Com3
BuShips
Comdt NY Navy Yard

ENCLOSURE A

CONFIDENTIAL

In reply refer to
File & Ser. No.

**OFFICE OF STRATEGIC SERVICES
NAVAL COMMAND
WASHINGTON, D.C.**

*14-00000
The National Archives
Bethesda, MD
4 copies
for a copy*

Nav Liaison Div
R607005
JP:fxs

CONFIDENTIAL

8 July 1946

MEMORANDUM FOR The Director's Office.

SUBJECT: Ltr., dated 29 June 1946, from Andrew J. Murphy, Jr.,
Lieut., Naval Reserve Division, to Brigadier General
John J. [unclear], Naval Reserve Division, Corps
of Engineers, War Department, re Radio Receiving
Station, Baltimore, B.M., etc.

Enclosure: (A) (1) copy of subject letter.

- 1. Enclosure (A) is forwarded for your information.

David [unclear]
Lieut. [unclear]
Naval Liaison Office

cc: [unclear]
(w/ encl)

082

JUL 11 1946
DIRECTOR'S OFFICE

CONFIDENTIAL

Mr Cheston -

The Navy wastes
no time -

But how can the
war Dept. grant
use of the station?
Believe Navy erroneously
thinks we are under W.D.

6 July 1945

Memorandum for the Director:

This matter has been followed closely by Commander Morgan. The enclosed communication to the War Dept. is simply an error on the part of Navy personnel and has now been corrected. The letter should have been addressed to the Navy Department rather than to the War Department. There is no reason to return the letter even for the record since it has no more meaning.

a harkun in

J.M.
J.M.

John Magruder, Brig. Gen.
186361 Deputy Director, OSS — Intelligence Service

CC/028W/(1083) P Me

16 May 1944

CONFIDENTIAL

In the opinion of our group who have had knowledge of this traffic, the enemy may be using messages selected from their extensive files of POW messages as an open code to inform Tokyo and Berlin regarding movements or disposition of our capital ships. This could be the case in their selection of states quoted in the addresses intercepted to date. Despite the sizeable numbers of POWs from practically all 48 states, messages thus far intercepted have been addressed to 13 states, 12 of which are also the names of active battleships, and the 13th is the name of a battleship reported launched and now being commissioned.


Through the repetition of state names it is possible the enemy is conveying information pertaining to ship dispositions and, or, conditions. In one Tokyo transmission, Texas is used as an address 3 times. There are other examples wherein state addresses have been used with similar frequency.

Although many of the texts contain similarity in phrasing, it is significant that Tokyo material is taken from messages prepared for broadcast, whereas Berlin material is apparently prepared in written form originally intended for telegraphic or cable transmission. There appears the possibility that the texts are selected for use as an open code.

It would appear the enemy is going to great lengths to insure accurate reception of these messages, without any direct benefit that is immediately apparent to us. It appears reasonable that this fact alone is sufficient reason for the continuance of the interception and study of this material. Please be assured of our continued interest and participation in this field. Although this is not a Censorship function, we shall continue to informally and personally assist in any practicable manner.

Lt. Dunnavant, Liaison for DIO, informs me that during the period of April 29th to May 8th, your activity referred 112 messages to his office, and that of these, 42 were of interest to them. Five messages were of sufficient importance to warrant their immediate transmission to Pearl Harbor.

Sincerely yours,



G. S. PERKINS
Commander, USNR

THE OFFICE OF CENSORSHIP
THE CABLE AND RADIO CENSOR

IN REPLY REFER TO:

CC/028W/(

) P Me

CONFIDENTIAL
CONFIDENTIAL

834 SOUTH SPRING STREET
LOS ANGELES, CALIFORNIA
10 May 1944

Mr. Martin H. Easton
11th Floor, Rowan Bldg.
458 S. Spring St.
Los Angeles, Calif.

Dear Mr. Easton:

An informal group consisting of several of my officers and a representative of the District Intelligence Officer, has been giving consideration to the significance of certain Reseda intercepts, copies of which have been forwarded to us by your Mr. A. P. Lusey. This traffic consists of a total of 27 messages passing between Tokyo and Berlin via Bandoeng, Java, during the past two months. 18 of these messages have originated at Tokyo, transmitted to Berlin, and 9 messages originated at Berlin, transmitted to Tokyo. All of these have contained texts exclusively devoted to Prisoner of War messages.

The 27 transmissions contain 28 Prisoner of War messages all addressed to complete addresses which in all cases but two included complete spelling of the state in which the addressee was located. Of these two, one message was addressed to Springfield, and the other message was received without address, no city or state being indicated. 26 POW messages carry state addresses and 25 of these are state names which correspond to the names given active U.S. battleships now in commission. The one remaining state name corresponds with the name of a battleship now building.

Additional state addresses of other POWs are quoted within the POW messages mentioned above, and 20 of these contain state names after which active battleships are named. One is the name of a battleship now building, and the remaining 3, as far as we know have no corresponding battleship names.

We believe further coverage and study should be given this subject, because of the following considerations: (a) This traffic is intercepted from enemy commercial radio telegraph circuits, not known to be covered by any other Allied Agency. (b) Traffic is given enemy government classification indicating priority and therefore of importance to the enemy. (c) These circuits are known to be well loaded and presently under heavy traffic conditions, and it is therefore believed significant that the enemy is placing this material under priority upon an already overburdened circuit. (d) Intercepting operators have noted that special effort is made to transmit these messages with great accuracy even to the extent of repeating the entire transmission several times. (e) It is believed that fairly heavy tolls are involved in this exchange between Berlin and Tokyo, and if this is a fact, there is further substantiation of the importance of this traffic to the enemy.

Review cover to list of activities

Communication, May 1944
CONFIDENTIAL
*x file list
x tele type
x communication
x ...*

OFFICE OF STRATEGIC SERVICES
San Francisco
INTEROFFICE MEMO

TO: General Donovan

DATE: 12 MAY 1944

FROM: Lt. Colonel Donald M. Gregory

SUBJECT: Reseda Intercept Station and Los Angeles Translation Unit

With further reference memorandum this office to you 10 May 1944, there is attached original letter from Commander G. S. Perkins, USNR, who is the Chief of the Navy Office of Censorship in Los Angeles, bearing on the problem.

The bulk of the letter relates to some interesting intercepts which are now being worked on by the Navy and included is certain information respecting the usefulness of the intercepts from the station.

With respect to the last paragraph of the letter, Commander Perkins has advised verbally that speed in processing and transmission is of vital importance and that he hopes arrangements will continue to permit such processing in Los Angeles.

DMG

cc: Lt. Comdr. Harry Morgan

Handwritten notes and signatures:
copy to
DMG

CONFIDENTIAL

16, 203
~~CONFIDENTIAL~~

R. Davis Halliwell, Comdr., U.S.N.R.

7 March 1945

H. S. Morgan, Comdr., U.S.N.R.

We have recently been advised by Al Lusey that he is sending you the Radio Intercept Daily Index, as published in Los Angeles. This by direct instruction of General Donovan.

The purpose of this memo is to acquaint you with the following information in order that you may avoid any confusion resultant from the duplication involved in the material furnished you.

- a. The Los Angeles Index is incorporated in, and is part of, the Far Eastern Log, as published in Washington. This you have been receiving for the past several months.
- b. Lusey's Index is furnished the Los Angeles Naval Intelligence Office each day, and information of operational value is screened therefrom and forwarded directly to JICPOA thru the ENO at San Diego.

cc: A.F. Lusey
Col. Connely

CONFIDENTIAL

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

16, 26
C. S. ...
...
...
...

TO : The Director
FROM : Chief, CD Branch
SUBJECT:

DATE: 7 March 1945

CONFIDENTIAL

Attached hereto is a copy of memo to Halliwell having to do with direct dissemination of Reseda material. I am sure you can appreciate the danger inherent in duplication unless all parties involved are fully aware of the facts.

For your information, the Reporting Board at present is distributing some forty odd copies of the Far Eastern Log, all containing Lusey's Index.

H. S. Morgan
H. S. Morgan
Comdr., U.S.N.R.

cc: Col. Connely

CONFIDENTIAL

959 Form 1084b

DATE _____

TO: General Donovan

(Jill)

Perhaps you would
be able to see Lt.
Nichols and myself
on this subject at
some time convenient
to you

Thompson

Mrs. Nichols

*11:45 A.M.
Wed. 14 March*

postponed

FROM:

11:00 AM Tuesday

(32816)

13 March

EXT. *2*

OSS
Form 68 (Revised)

OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE September 7, 1944

REC'D

9/7/44 4:00 p.m.

TO

USTRAVIC, LOND IN

PRIORITY

ROUTINE

DEFERRED

FROM

OFFICE OF STRATEGIC SERVICES

DISTRIBUTION

OUT-17349

(CONFIRMATION TO ORIGINATOR)

(FOR INFORMATION)

GENERAL COUNSEL

DIRECTOR, SECRETARIAT, ETO,
COMMUNICATIONS, PROCUREMENT &
SUPPLY, OS: TO.

U. S. GOVERNMENT PRINTING OFFICE 16 27643-1

TRANSMITTED IN CODE OR CIPHER

SECRET

#67454. Ensign Donovan to Bruce and Lowman.

Discussed disposition of ~~radio station~~ with Doering and Richards. 109 has power to authorize such disposition but no one else. Since it involves many basic considerations requiring thorough discussion, we ask that you wait until we discuss entire matter with Director upon his return. Please pouch your specific proposal, any existing agreement with respect to disposition and all facts, including complete details on how much of station cost has been credited to Lend-Lease and reverse Lend-Lease.

SECRET

TOD: 9/7/44 5:36 p.m.

FILE COPY

JBD JDW:R

INITIALS OF "RELEASING" OFFICER

IT IS FORBIDDEN TO COPY OR REPRODUCE THIS CABLE
WITHOUT AUTHORIZATION FROM THE SECRETARIAT