Page 1 Doc. No. 1274 Telagram (Secret cypher Process) Tokyo, 18 January 1938 1640 o'clock Arrival: 18 January 1938 1315 o'clock TOP SECRET! No. 30 of 13/1 In reference to the telegram from Hankow, No. 24 of 15 October. 1) The counsellor of the Legation submitted to the Vice Foreign Minister Prime Minister KUNG's latest declaration. The Vice Foreign Minister expressed /his/ regret that the statement came too late, but expressed his opinion, after taking notice of its contents, that even in case of an earlier arrival hardly anything could have been changed regarding the developments. He added that KAWAGOE's report according to which Chiang Kai-shek had, eight days ago, said to a close friend of his an important Chinese journalist, that he desires peace and cooperation with Japan, but could not accept the Japanese terms is before the Foreign Ministry. The Vice Foreign Minister concluded from this /that/ the Chinese fundamentally lacked readiness for peace and /that this was/ proof that Chinese inquiry had only been for veiling purposes. 2) Furthermore, it follows from a report of the Chinese secretary to the military attache that the Chinese ambassador here had already on Thursday the 13th or Friday the 14th received telegraphic instruction to depart in order to report and that according to instructions he is departing for China these days. This statement from authoritative quarters of the Chinese Government also allows the conclusion that they at least did not promise themselves a favorable effect on the Japanese Government from their answer. Identically to Hankow. DIRKSEN Telegram (Secret cypher Process) Tokyo, 18 January 1938 Arrival: 18 January 1938 1845 hours 1435 hours No. 31 of 18/1 TOP SECRET!

Page 2 Doc. No. 1274 . Pol. 1 137 (viii) g II Pol. 1 137 g (viii) III CITO! In connection with telegram No. 30 of the 18th and telegram No. 18 -) and 21 (4) of the 17th Secret. For the State Secretary personally 1) This afternoon at 4 o'clock I transmitted to the Foreign Minister the impending DNB announcement in English translation. HIROTA was not exceedingly joyful over it, but did not raise any opjections whatsoever. 2) Regarding declaration of Prime Minister KUNG, he (group missing) in the same way as the Vice Foreign Minister yesterday to the Counsellor of the Legation: Even a transmission in time could have changed nothing in the decision of the Japanese Government, as the declaration contained nothing new. 3) Discussing a future conclusion of peace HIROTA explained that a new Chinese Government would have to be set up, which had no connections with the Communists, would fight them and had peaceful relations with the Peking Government; the decisive point was the sharp fight against Communism. Apparently, the forming of a Central Chinese Government in Nanking was not intended by the Chinese side. Identically to Hankow St.S Dir. Pol. RM 57 The Japanese Ambassador visited me on the 22nd of this month. The occasion was the return of my official visit with him. The Ambassador transmitted on this occasion the thanks of the Japanese Government for the endeavors of Germany for the remestablishment of peace in East Asia. Upon my question how Japan envisions the further development of the matter in China, the Ambassador declared that the Japanese Government could, after the military defeat

of Chiang Kai-shek, no longer recognize him as representative of the Chinese people and that the Chinese Central Government did no longer exist. Japan would now /endeavor/ to negotiate about the end of the state of war with a new Chinese government, which probably would be composed of the already existing governments in Peking and Shanghai. /In reply/ to my objection that there would then probably still remain a big and not yet pacified area of China, the Ambassador replied that they were prepared for everything in Japan and that they would also know how to carry the burden of a prolonged state of war.

Then the Ambassador mentioned that his government is of expanding the trade of goods with Germany. However, it is of importance for them to obtain long range credits for the receipt of German goods beyond the present volume. I told the Ambassador that he knew our situation and that I could tell him already today that even with the best intentions we were not in a position to grant any bigger long term credits. The Ambassador declared then that Japan does not wish to change the present structure of our economic relations and that she is also ready to make the payments provided in our agreement in foreign exchange /devisen/; but, whatever would be exported to Japan beyond the present volume of the German export would have to be paid by barter with Japanese goods. He, the Ambassador, would get into contact with the economic authorities in Germany regarding the details.

Berlin, 25 January 1938.

/s/ v. Neurath.

(Frame No. 81244-81245)

Berlin, 28 January 1938

## Memorandum

The Japanese Ambassador just told me confidentially that the British Ambassador visited him this morning in regard to the following matter:

As was already to be seen recently from a French trial balloon, English and French circles have an idea to conduct a joint /step/ in Tokyo in the interest of peace /and to conduct it under inclusion of Germany/. Mr. TOGO

was of the opinion that this English intention could be traced to misgivings of the English about increasing Communist influences in China, which might also have an effect upon India. The British Ambassador had asked TOGO to what extent, in his opinion, Germany would react to such a suggestion. He, Henderson, would like to feel out the Reichsminister tomorrow morning, (the 29th of this month) in this matter. TOGO replied to the English Ambassador, as he told me, that it is hardly likely that participation of Germany in such a joint action would be welcomed in Tokyo. Furthermore, it is already too late for such an action, Chiang Kai-shek is, according to Japanese opinion, no longer partner to the negotiations. Rather, it is the Japanese aim to come to an agreement with a new Chinese government friendly to Japan.

In the further course of the conversation which dealt no longer with the supposedly impending British feeler, Mr. TOGO mentioned that the moment would soon come when we would have to start talking about German cooperation with Japan in the New China which is to be constructed. Mr. TOGO did not talk about the recognition of Manchukuo.

/s/ Weissacker

(Frame No. 81243)

Telegram (Secret Cypher Process)

TOP SECRET

Tokyo, 29 January 1938, 1430 p.m. Arrived 29 January 1938, 1145 a.m.

No. 52 of 29 January.

Re: Telegram of 25, No. 32.\*

\*) Pol. I 201 g (VIII)

Since the Japanese Government has emphatically fixed its standpoint not only by the well-known declaration, but in the meantime, also repeatedly in reply to interpellations in the Diet, /namely/ not to react under any circumstances to any peace feelers of the Hankow Government, I have mis-

Doc. No. 1274 Page 5 givings against transmission of the statement of the Chinese Ministry for Commerce since it might possibly be considered as a hidden new attempt of Germany to mediate. Identical to Hankow. /s/ Dirksen (Frame 81242)