

Japan's Surrender and U.S. Intelligence Services: The Clandestine Struggle over the Yalta Secret Agreement

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Introduction

From February 4 to 11, 1945, the leaders of the United States, Great Britain, and the Soviet Union met in Yalta, a resort town on the Crimean Peninsula. They discussed strategies for ending World War II (WWII), which was in its final stages, as well as post-war plans. Regarding the Pacific War in the Far East, the leaders agreed that the Soviet Union would participate in the war against Japan after a two or three-month preparation period following Germany's surrender and the termination of the war in Europe. Shortly before a fierce battle with Germany began in June 1941, the Soviet Union signed a neutrality pact with Japan that maintained Japan-Soviet diplomatic relations. For the Soviet Union to enter into the war against Japan, the political conditions included the return of South Sakhalin and adjacent islands, the handover of the Kuril Islands, the internationalization of the port of Dalian at the tip of the Liaodong Peninsula under the effective control of Japan, and the restoration of the lease of Port Arthur. On the military front, at the demand of the U.S. Joint Chiefs of Staff (JCS), President Franklin D. Roosevelt requested that Soviet forces conduct a full-scale invasion of Manchuria and that strategic air force (land-based aircraft) bases be established in the Maritime Provinces. On February 8, Joseph Stalin agreed to the requests at a bilateral meeting with Roosevelt.¹

Since the outbreak of WWII, Japan-Soviet relations became the mainstay of Japan's diplomacy. From the outset of the war, Japan had a plan to mediate peace between Germany and the Soviet Union to bring the war to an end. As such, under the circumstances—the situation was turning against Germany in Europe, Japan was defeated in a decisive battle on Leyte in the Philippines, and U.S. invading forces were approaching the mainland—the secret agreement at Yalta for the Soviet Union to break the neutrality pact and participate in the war had vital importance for Japan.

Meanwhile, President Roosevelt of the United States advocated for the “Four Policemen” concept to maintain order in the post-war world. He positioned the United States, Great Britain, the Soviet Union, and the Republic of China as the great powers responsible for world peace and stability. A cooperative relationship with the Soviet Union was viewed as critical not only

¹ For the minutes of the meetings in Tehran and Yalta, see *Sengo no tanjo: Teheran Yaruta Potsudamu kaidan zen gijiroku* [The establishment of the post-war world: minutes of the Tehran, Yalta, and Potsdam conferences], trans. and ed. Shigeta Hiroshi, Konishi Masaki, Kurai Takashi, and Kawabata Ichiro (Tokyo: Chuokoron-Shinsha, 2022).

for guiding the war but also for international politics in the post-war world.² For this reason, Roosevelt sought to involve the Soviet Union in the war against Japan in the Far East.

In addition, Roosevelt emphasized diplomatic and military intelligence. After the Pacific War started, he established the Office of War Information (OWI), which was tasked with wartime propaganda, and the Office of Strategic Services (OSS), which was tasked with collecting secret intelligence, conducting conspiracy, and supporting paramilitary operations. The head of the OSS was William Donovan, an Irish-American Catholic with a nonpartisan network. Donovan had a keen interest in using spies for secret intelligence as well as in the research and analysis branch. The OSS had many prominent university professors and talented young researchers from the humanities and social sciences.³

This paper examines the work of the OSS in neutral countries in Europe in early 1945 when the agenda and schedule of the Yalta Conference were already finalized, focusing on the relationship between the OSS's activities and the termination of the war against Japan.

1 The OSS's Perception of the Soviet Union

In August 1943, Geroid Robinson, chief of the Soviet Division in the Research and Analysis Branch, prepared a memo titled "Post-War Leadership in the Far East" for President Roosevelt who was on his way to the Quebec Conference. In the memo, Robinson states that the Soviet Union had its hands full with the war in Europe but had not lost interest in the Far East: "At least in the north we must choose between keeping our enemy Japan strong and throwing the area open to Soviet domination."⁴

In November 1944, Betty Carp, an intelligence agent recruited in Istanbul by Allen Dulles, a senior OSS official, and was at the Research and Analysis Branch's New York office, submitted a detailed report titled "Russo-Chinese Relations." Based on interviews with multiple Soviet emigrants to the United States, the report presents an outlook on post-war Sino-Soviet relations, including statements by Andrei Zhdanov who was considered a leading successor to Stalin at the time. Carp mentions that the Soviet Union could expand its influence in Manchuria by entering into the war against Japan, and that the Kremlin may then want the Chinese Communist Party to establish control over Manchuria. Moreover, the report states that, during negotiations with the United States and Britain, the Soviet Union will likely make

² Regarding the "Four Policemen" concept, in the latter half of 1942, Roosevelt used a four-person poker game analogy to explain to his cabinet member that British colonialism would be reined in through a U.S.-Soviet-China alliance. However, at around the same time, Roosevelt told others that China had to be included in the alliance to counterbalance the Soviet Union. John Lewis Gaddis, *Strategies of Containment: a critical appraisal of American national security policy during the Cold War* (New York: Oxford University Press, 2005).

³ Regarding the research and analysis work of the OSS, see Barry M. Katz, *Foreign Intelligence: Research and Analysis in the Office of Strategic Services, 1942-1945* (Cambridge: Harvard University Press, 1989); Kato Tetsuro, *Shochotennosei no kigen: Amerika no shinrisen "Nihon keikaku"* [Origins of the symbolic Emperor system: U.S. psychological warfare "Japan Plan"] (Tokyo: Heibonsha, 2005).

⁴ "Post-War Leadership in the Far East (1944/11/3)," prepared for Quebec Conference by Dr. Robinson, The U.S. National Archives and Record Administration, Records of the Office of Strategic Services, Washington Director's Office Administrative Files, 1941-1945 (Microfilm M1642), Roll 46.

it a prerequisite to recognize the Soviet's special strategic and economic interests in China, especially Manchuria.⁵

On May 5, when the complete collapse of Germany was imminent, Donovan prepared a report at the request of the JCS titled "Problems and Objectives of United States Policy" and submitted it to President Harry Truman. In the report, Donovan writes the following. Resolving the issue of the occupation of Germany is a priority, and the formation of a West European-American bloc, through economic recovery and establishment of democratic regimes in Western Europe, is needed as a counterweight to the Soviet Union. Furthermore, Russia will significantly enhance its influence in Asia due to Japan's defeat, and this should not be ignored. Military bases must be maintained and strengthened in the Pacific region, as do military bases in the Atlantic region. Regarding the war against Japan, Donovan notes the possibility of the Soviet Union invading Manchuria near the end of the war and claiming annexation of Manchuria or (direct or indirect) control over Korea.⁶

As the above shows, the OSS clearly had a Cold War-type conception following Roosevelt's death and prior to Germany's collapse.

2 Allen Dulles in Switzerland

The U.S. intelligence agency, the OSS, was the point of contact for peace negotiations in Switzerland. As is well known, the OSS and the Japanese side had various discussions regarding the conditions for surrender.⁷ In around April 1945, Commander Fujimura Yoshiro of the Imperial Japanese Navy (IJN) requested peace negotiations to Allen Dulles, the head of the OSS's Bern branch in Switzerland, via Friedrich Hack who had served as a consultant for procuring military supplies for the IJN. Discussions were then held on surrender conditions, particularly the guarantee of the Emperor's status. However, the Japanese Navy Ministry did not trust the OSS, and the Japanese Foreign Ministry did not actively engage with the OSS, rendering it ineffective as a channel for peace negotiations.

Allen Dulles, director of the Central Intelligence Agency (CIA) after the war, worked primarily on peace negotiations with anti-Nazi factions in Germany. By the end of January 1945, Dulles, based at the OSS Bern branch, made contacts in Switzerland with anti-Nazi resistance groups and with German military personnel who were critical of Hitler. In a report explaining about the military personnel who took part in the failed assassination attempt against Hitler on July 20, 1944, Dulles concluded that he was convinced an affirmative program along

⁵ "Memo on Russo-Chinese Relations by Betty Carp," M1642, Roll 105.

⁶ "Problems and Objectives of United States Policy (1945/4/2)," M1642, Roll 25.

⁷ Studies on the peace negotiations in Switzerland include Yomiuri Shimbum, ed., "Daresu no tegami [Dulles' letter]," in *Showashi no tenno* [The emperor in the history of Showa], vol. 2, ed., Yomiuri Shimbum (Tokyo: Yomiuri Shimbum, 1967); Takeuchi Shuji, *Maboroshi no shusen kosaku: Piisu firaaazu 1945 natsu* [An illusory war termination negotiations: Peace feelers summer 1945] (Tokyo: Bungeishunju, 2005); Arima Tetsuo, "*Suisu chohomo*" no wahei kosaku: Potsudamu sengen wa naze ukeireraretaka [The peace negotiations of the "intelligence network in Switzerland": Why was the Potsdam Declaration accepted?] (Tokyo: Shinchosha, 2015); Nakata Seiichi, *Dokutaa Haku: Nihon no unmei wo nido nigitta otoko* [Dr. Hack: The man who held Japan's destiny twice] (Tokyo: Heibonsha, 2015).

the following lines would make the German military submit to the Americans and British before the Soviet Union actually created chaos in East Germany.

- (1) Unconditional surrender remains an unaltered policy, but German military leaders are seriously concerned about the future of its country.
- (2) All cities in Germany are on the verge of being able to spare unnecessary destruction and achieve a resumption of economic life through proper distribution of food and supplies.
- (3) Officers of Wehrmacht who contribute to constructive policy should facilitate the liquidation of the Nazi regime.

This report was submitted by the OSS deputy director to the JCS.⁸

By at least the end of 1944, there was a clear understanding, both at the OSS headquarters in Washington and in the European theater, that the goal should be to achieve an early end to the war, without strictly adhering to the literal interpretation of “unconditional surrender” vis-à-vis preventing the expansion of Soviet influence and minimizing the sacrifices of U.S. military personnel.

The OSS also initiated negotiations with Japan in around the summer of 1944. That summer, at his hotel, Kitamura Kojiro, general manager of Yokohama Specie Bank’s German branch and director of the Bank for International Settlements (BIS), received a copy of Joseph Grew’s *Ten Years in Japan* from a covert operative disguised as a female masseuse. The book was signed by Grew for Allen Dulles.⁹ This was no doubt to give the Japanese side the impression that Dulles was connected to the so-called “soft peace” faction within the State Department, which advocated for the continuation of the Emperor system.

On March 21, 1945, the OSS Bern branch reported to the Washington headquarters, as information provided by Hack, that Minister Kase Shunichi in Bern believed Japan-Soviet relations were improving and was optimistic about the extension of the Japan-Soviet neutrality pact.¹⁰ Furthermore, according to the United States’ MAGIC intercepted communications records, on May 14, after the collapse of Germany, Kase sent a lengthy telegram to Tokyo stating, “With the end of the war in Europe, Russia may want to accomplish her objectives without any further fighting and may not necessarily want to participate in the war against Japan. Therefore, I believe that we may have a considerable chance of being able to get Russia to use her good offices in return for what we would be able to offer her. Furthermore, it seems to me that a failure in such an attempt would have no worse an effect than a failure in trying to negotiate directly with the enemy.”¹¹ As of mid-May, Kase had reported to Japan that mediation for peace through the Soviet Union was more advantageous than direct negotiations with the United States and Britain.

However, on May 12, Donovan relayed to the JCS, as information transmitted by the OSS

⁸ “Memorandum of Information for the Joint Chief of Staff (1945/1/27),” M1642, Roll 22.

⁹ Yomiuri Shimbun, ed., “Daresu no tegami,” 384.

¹⁰ Office of Strategic Services, “Official Dispatch (1945/3/21),” M1642, Roll 30.

¹¹ National Archives and Record Service, MAGIC Diplomatic Summaries, 1942-1945, No. 1146, 1945/5/15.

Bern branch, a report received from an “anti-Nazi but pro-Japanese German” who was well-versed in Far East affairs. “The source, on 11 May, talked with Shunichi Kase, the Japanese Minister to Switzerland. He reports that Kase expressed a wish to help arrange for a cessation of hostilities between the Japanese and the Allies. Kase reportedly considers direct talks with the Americans and the British preferable to negotiations through the USSR, because the latter eventually would increase Soviet prestige so much that the whole Far East would become Communist. Kase allegedly believes that one of the few provisions the Japanese would insist upon would be the retention of the Emperor as the only safeguard against Japan’s conversion to Communism. Kase feels that Under Secretary of State Grew, whom he considers the best U.S. authority on Japan, shares this opinion.”¹²

Through Donovan, Dulles had reported to the JCS that Kase, the official representative of the Japanese group in Switzerland, wished for direct negotiations with the United States and Britain more than with the Soviet Union. This was to give the JCS or the U.S. president the impression that Kase was more inclined to hold negotiations with the United States than was actually the case, i.e., that peace negotiations via Switzerland held promise.

3 The Yalta Secret Agreement and Vatican Peace Negotiations

Another neutral country is the Vatican. Emperor Showa had a sense of affinity with the Vatican ever since he visited it as a crown prince.¹³ Even before the Japan-U.S. war, the Emperor valued the Holy See as a channel for peace negotiations to bring the war to an end.¹⁴ After its outbreak, due to the convenience of intelligence gathering and the immense spiritual influence it wielded worldwide, as well as the necessity of governing the predominantly Catholic population in the Philippines, the Emperor ordered Prime Minister Tojo Hideki to establish a legation in Vatican City in April 1942. Harada Ken, who had been serving as a counselor at the embassy in Vichy France, presented his credentials to the Pope as the first Japanese Minister extraordinary and plenipotentiary to the Holy See.¹⁵ Similarly, in December 1939, the United States, although

¹² “Memorandum of Information for the Joint Chief of Staff: Alleged Japanese Feeler (1945/5/12),” M1642, Roll 22.

¹³ When Emperor Showa (then Crown Prince) visited Europe in 1921, Pope Benedict XV reportedly mentioned in a conversation with the Emperor, “The Catholic Church is the most powerful organization striving to combat radical ideologies to maintain peace and uphold order in the world. The Japanese Empire and the Catholic Church may be working together frequently in the future.” Imperial Household Agency, *Showa tenno jitsuroku* [Records of Emperor Showa], vol. 3 (Tokyo: Tokyo Shoseki, 2015), 402.

¹⁴ In early September 1941, the Japanese government (third Konoe Fumimaro cabinet) had decided to start war if negotiations with the United States did not conclude by early October. However, on October 13, Emperor Showa stated to Interior Minister Kido Koichi, “In the event that a war against the United States and Britain is decided [...], it is necessary to thoroughly consider from the outset the means for terminating the war. To this end, it is essential to establish measures for fostering friendly relations such as through an exchange of envoys with the Roman Curia.” Kido Nikki Kenkyukai, *Kido Koichi nikki* [Diary of Kido Koichi], vol. II (Tokyo: University of Tokyo Press, 1966), 914.

¹⁵ Terasaki Hidenari and Mariko Terasaki Miller, *Showa tenno dokuhakuroku* [Monologue of Emperor Showa] (Tokyo: Bungeishunju, 1995), 96-97. Emperor Showa recollected, “It was regrettable that, because of the war, we could not choose and send capable individuals from the homeland and, due to the Japan-Germany alliance, we could not engage more with the Curia that has a distant relationship with Hitler.”

it did not have official diplomatic relations with the Vatican due to concerns about public anti-Catholic sentiments, sent Myron Taylor, a wealthy magnate in the steel industry, as a personal envoy of President Roosevelt. While the official reason given was that humanitarian assistance would be provided through the Italian Red Cross, the underlying reasoning was that the Holy See was diplomatically important during wartime.¹⁶ Furthermore, the OSS had used the Vatican as a base for intelligence activities from early on, and it is known that “Vessel” was the codename for the intelligence.

On January 26, 1945, OSS Assistant Director Charles Cheston noted that Minister Harada conveyed the following to the Pope, as reported by Vessel.¹⁷

The Japanese government is positive Stalin will unconditionally refuse to abolish the non-aggression treaty with Japan. [...] The Soviet government has definitely told the Japanese Ambassador in Moscow that USSR will request the British and Americans to seek the basis for a negotiated peace in the Far East, on condition that the Japanese government accedes to the Russian suggestion that the Far East peace conference be compromised of France, the United States, Japan, China, Russia and Great Britain.

Through the Department of the War, intelligence that the Soviet Union promised Japan to renew the neutrality pact and made an appeasement proposal regarding peace in the Far East reached Brigadier General Andrew McFarland who participated as staff in the Yalta Conference.

An OSS report to the JCS on January 24 contains intelligence from the OSS branches in Bern and Rome that anti-Hitler groups in Italy and Switzerland led by Ernst von Weizsäcker, German Ambassador to the Holy See (former foreign undersecretary and father of Richard von Weizsäcker, president of West Germany from 1984 to 1994), were calling on the Vatican to mediate peace. It also included a detailed report regarding the activities and statements of Kanayama Masahide, counselor at the Japanese legation in the Vatican.

According to the report, when Counselor Kanayama held a meeting on January 17 with Giovanni Montini, acting secretary of state of the Vatican, Domenico Tardini, president of the Pontifical Commission for Russia, and Pio Rossignani, private secretary of the Pope, Kanayama stated as follows.

Our Ambassador in Moscow has informed our government that the Far East will be discussed when the Big Three meet. The United States, supported by Churchill, will ask for Russian help to crush us completely. The Anglo-Americans will ask that Russia denounce the pact of non-aggression with Japan and that Russia passively participate in the Pacific War and permit Anglo-American use of Russian air bases. Our government also understands that, before Stalin will agree to this, he will request a wholehearted

¹⁶ Matsumoto Saho, *Bachikan to kokusai seiji: shukyo to kokusai kiko no kosaku* [The Vatican in international politics, 1914 to the present: Christianity, cooperation and international organizations] (Tokyo: Chikura Shobo, 2019), 67-68.

¹⁷ Office of Strategic Services, “Official Dispatch (1945/2/3),” M1642, Roll 119.

attempt on the part of the Anglo-Americans to mediate, and that he will even offer to act as mediator. Our government also understands that the Big Three will discuss European problems first, and that if they are not settled to Russia's satisfaction, especially the Polish question, then Stalin will not discuss the Far East.

Kanayama then expressed hope that the Pope would help with the peace mediation before the Far East issues were discussed at the Yalta Conference. Montini asked whether the Japanese government can offer terms for peace that would be closer to those of the Anglo-American to enable the Holy See to begin mediation. Kanayama responded that he would communicate Montini's request to the Japanese government and reiterated that the Holy See commence mediation immediately if possible.¹⁸

If Kanayama's statements are true, he had a remarkably accurate understanding of the Yalta Conference. He was no doubt the first Japanese person to know the details of the Yalta secret agreement, before the conference was even held. This intelligence was communicated not only from the OSS to the JCS but also to the State Department and the White House. Tardini and Montini whom Kanayama held audiences with were both an acting secretary of state, a high-ranking position responsible for the foreign and internal affairs of the Holy See under Pius XII. However, Pius XII, who had ample diplomatic experience as former papal nuncio in Germany and secretary of state and holding meetings with President Roosevelt in the United States, did not appoint a successor to Secretary of State Luigi Maglione after his death in 1944 and made his own decisions on state affairs.¹⁹ The meeting on January 17 is assumed to have taken place at the wishes of Pope Pius XII.

If Harada and Kanayama at the Japanese legation in the Vatican had made completely different statements to Holy See officials, what can we understand from this? It is conceivable that they had received different information from different sources. The information conveyed by Kanayama was genuine information that covered actual topics to be discussed at the Yalta Conference. The inclusion of items that the United States later requested to the Soviet Union, especially the invasion of Japan and the establishment of air bases in the Far East Siberia, suggests that the information was sourced from the United States. Kanayama's information on the Yalta conference was far more accurate and specific than the assessment sent to Tokyo by Ambassador to the Soviet Union Sato Naotake, who was said to be the source.

In fact, Giovanni Battista Montini, who later became Pope Paul VI (1963-1978), is believed to have cooperated with the OSS through Earl Brennan, a former diplomat who had been stationed in Italy and headed the Italy desk in the Secret Intelligence (SI) division at the OSS's Washington headquarters.²⁰ If Kanayama had accurate information regarding the detailed agenda of the Yalta Conference, the intelligence may have been conveyed from the OSS, perhaps through Montini.

¹⁸ "Memorandum of Information for the Joint Chief of Staff," 24 January 1945, M1642, Roll 22.

¹⁹ John Pollard, *The Papacy in the Age of Totalitarianism, 1914-1958* (London: Oxford University Press, 2016), 300.

²⁰ Richard Harris Smith, *OSS: The Secret History of America's First Central Intelligence Agency* (Berkeley: University of California Press, 1972), 84.

On the other hand, Minister Harada's pro-Japan conciliatory information was implausible and the complete opposite of the assessment made by Ambassador Sato in Moscow, alleged Harada's source. It thus can be assumed as disinformation. At the Yalta Conference, it served as information to raise the worth of the secret agreement vis-à-vis Roosevelt, who requested the Soviet's participation in the war against Japan.

At around this time, Vessel intelligence was handled by Captain James Angleton, who was then with the SI division in Italy and later became a senior official at the CIA and the model for the main character of the film *The Good Shepherd* (United States, 2006). According to Angleton's research, most Vessel intelligence came from Virgilio Scattolini, a former Italian journalist affiliated with the Vatican's cultural organization. Sub-sources included individuals connected to German, Soviet, and British intelligence services.²¹ Although intelligence on European matters was full of errors, that on Japan was for whatever reason highly valued and trusted by key figures in the U.S. administration including Roosevelt himself.²² Vessel intelligence was a mix of both valuable and questionable intelligence.

On August 11, 1944, after the Allied forces occupied Rome, U.S. envoy Taylor had an audience with the Pope in the wake of a Reuters report that Soviet Premier Stalin was seeking a meeting with the Vatican to discuss holding a peace conference and exchanging views on social and moral issues in the post-war world. Taylor asked the Pope about the situation and received a reply that the report was without foundation in fact, and reported this to Roosevelt in a memo.²³ In addition, Minister Harada of Japan sent a report to Tokyo in November, stating that there were frequent unconfirmed reports about the Soviet Union approaching the Vatican.²⁴ The Soviet Union had recognized and resumed diplomatic relations with the Badoglio government, which was established after the Allied invasion of Sicily and the arrest of Mussolini, in March 1944, before the United States and Britain did so. The Soviet government's official newspaper commented, "It is necessary for the Allied powers to find a way to unite all anti-fascist forces in Italy for the struggle against Germany."²⁵ However, the United States and Britain monopolized the governance of Italian occupied territories, and the

²¹ Robin W. Winks, *Cloak and Gown: Scholars in the Secret War, 1939-1961* (New York: Morrow, 1987), 356.

²² Timothy J. Naftali, "Artifice: James Angleton and X-2 Operations in Italy," in *The Secrets War: The Office of Strategic Services in World War II*, ed., George C. Chalou (College Park: National Archives and Records Administration, 1992), 232.

²³ "Memorandum on Mr. Taylor's audience with Pope Pius XII at the Vatican, August 11, 1944," Diplomatic Correspondence, Box 52, Franklin D. Roosevelt, Papers as President: The President's Secretary's File (PSF), 1933-1945, Franklin D. Roosevelt Presidential Library. During the audience, Taylor noted on the importance of Christianity for post-war peace in Europe. Pope Pius XII responded that resumption of relations with the Soviet Union requires explicit guarantees from the Soviet government regarding improvement of the treatment of the Catholic Church in occupied Poland and Baltic countries as well as Russia proper.

²⁴ From Minister to the Vatican Harada to Foreign Minister Shigemitsu, November 30, 1944, "Rengo kokugun ni yoru Roma senryogo no Ikoku josei oyobi Bachikan no doko ni tsuite [The situation in Italy and the actions of the Vatican following the Allied occupation of Rome]," in Ministry of Foreign Affairs of Japan, *Nihon gaiko bunsho Taiheiyo senso 2* [Documents on Japanese foreign policy, the Pacific War 2], 1044-1045.

²⁵ Paolo Spriano, *Storia del Partito Comunista Italiano, vol. 5, La resistenza, Togliatti e il partito nuovo*, (Torino: Einaudi, 1975), 293-294.

Soviet Union was only allowed to participate as an observer in the Advisory Council on Italy.

Although the Soviet Union had no diplomatic relations with the Vatican, it may have utilized the Holy See as a channel to input information favorable to itself amid a war with Germany, as both the Allied and Axis powers were conducting intelligence gathering through the Vatican. That is, after the invasion of Italy, the British Secret Intelligence Service (SIS) relied on Italian communists and partisan organizations as their main sources of information for intelligence activities against the German forces, so much so that it was “doubtful whether without their help we could even have got our network started.” Additionally, shortly before the fall of Rome, even after Palmiro Togliatti, general secretary of the Communist Party for Liberated Italy (who would become the leader of the post-war Italian Communist Party), returned from Moscow, the communists continued to provide military intelligence to the SIS.²⁶

The above suggests that an international, i.e., a U.S.-Soviet, intelligence warfare was taking place over the Yalta secret agreement in the Vatican, a neutral country. Regrettably, records of the telegram exchanges between the Japanese legation in the Vatican and Foreign Ministry in Tokyo from January to May 1945 have not been preserved or made public. Therefore, it is impossible to know what intelligence Harada or Kanayama had sent (or did not send).

Meanwhile, from late May to June 1945, after the collapse of Germany, the OSS conducted peace negotiations through a different channel. Records of these negotiations are preserved both in the United States' intercepted and decrypted records called MAGIC and in Japan's diplomatic documents. There are also memoirs of OSS operatives.²⁷ In a report to Tokyo on June 3, Minister Harada speculated as follows regarding the intentions of the United States that proposed peace negotiations to Japan: “Although the European war is expected to end, there may be further deterioration in the political situation depending on the subsequent attitude of the Soviet Union. Conversely, in the Far East, it is likely that the Soviet Union will enter into the war in the final stage and take control of Manchuria, while also inciting the Chinese Communist government to secure its foothold.”²⁸ It is noteworthy that this report, too, mentions the Yalta secret agreement to involve the Soviet Union in the war.

According to Martin Quigley, who was involved in these activities, Donovan instructed Quigley to find a way to bring a peace proposal directly to Tokyo and to negotiate Japan's surrender. In line with U.S. intentions, the negotiations with the Japanese side were conducted by Egidio Vagnozzi, a Vatican diplomat (State Department official) who had spent ten years in the United States as a counselor and other positions at the apostolic delegation in Washington.²⁹ Kanayama Masahide, the Japanese representative, speculated that Vagnozzi had already made

²⁶ Keith Jeffery, *M16: The History of the Secret Intelligence Service 1909–1949* (London: Bloomsbury, 2010), 557–558.

²⁷ Martin S. Quigley, *Peace without Hiroshima: Secret Action at the Vatican in the Spring of 1945* (Lanham: Madison Books, 1991).

²⁸ From Minister to the Vatican Harada to Foreign Minister Togo, June 3, 1945, “Bachikan shikyo yori Beikokugawa to no sesshoku ni tsuki teian ni tsuite [Vatican bishop's proposal on contact with the U.S. side],” *Nihon gaiko bunsho Taiheiyō senso 3* [Documents on Japanese foreign policy, the Pacific War 3], 1701–1702.

²⁹ Quigley, *Peace without Hiroshima*, 80, 84.

contact with the OSS during his assignment in Washington and had returned to Italy with a peace proposal. Furthermore, Kanayama assumed that Vagnozzi acted with the approval of his superior at the State Department, Montini, and of the Pope.³⁰ Vagnozzi would later become a Cardinal in charge of finance at the Holy See during the papacy of Pope Paul VI.

After Rome fell in 1944, Donovan held audiences with the Pope and with Ambassador Weizsäcker of Germany.³¹ He regarded the Vatican as an important base for peace negotiations with the Axis powers, particularly Germany. The efforts for a separate peace with the German forces in Northern Italy (Operation Sunrise), led by Allen Dulles at the OSS Bern branch, were initiated based on a proposal from prelates of the Catholic Church in Switzerland. Weizsäcker served as a bridge between the German forces and the Vatican.³² The peace negotiations with German forces in Northern Italy and the peace negotiations with Japan were underway simultaneously within the Catholic Church's network. Acting Secretary of State Montini was at the intersection of these two efforts. Under Pope Pius XII who made his anti-communist position clear, Montini, who later became Pope Paul VI, worked to evacuate war refugees from the Allied side and carry out prisoner swaps, as well as protect resistance movements that resisted the Nazis. He played a crucial role in the implementation of the Vatican's diplomacy in the latter stages of WWII.

As mentioned earlier, Eugenio Pacelli, later Pius XII, had extensive diplomatic experience and maintained a close relationship with the United States, including direct exchanges of letters with Roosevelt. Nevertheless, he was quick to express concerns over Roosevelt's view of the Soviet Union as a guarantor of the post-war European order. In particular, he severely criticized Roosevelt's demand for Japan and Germany's "unconditional surrender," which was announced during the Casablanca Conference in January 1943. In June 1944, shortly before the Allied liberation of Rome, the Pope remarked, "angry and vengeful instincts must be subordinated, *quae est inimica consilio*, to the majesty of justice and equanimity. In every war, if one of the belligerents were to succeed in reaching a clear and unequivocal victory, by the sword alone, or with other irresistible means, one could find oneself physically able to dictate a peace which is not equitable but imposed by force." Taken by surprise, Roosevelt had envoy Taylor explain to the Pope, secretary of state, and others that unconditional surrender did not mean a complete destruction of Germany and that the Nazis and the Germans would be distinguished.³³

Furthermore, between late 1944 and early 1945, the Pope became increasingly concerned about the dangers posed by the advancement of Soviet forces into Eastern and Central Europe. In particular, he conveyed to Taylor his concerns that the Soviet occupation of Poland and the

³⁰ Kanayama Masahide, *Dare mo kakanakatta Bachikan: katorikku gaikokan no kaiso* [The Vatican no one has written about: A Catholic diplomat's recollections] (Tokyo: Sankei Shuppan, 1980), 45, 55.

³¹ Shiozaki Hiroaki, "'Taiheiyo senso' ni miru kaisen shusen gaiko: 'Tai vachikan gaiko' wo toshite [War outbreak and termination diplomacy in the Pacific War: From the perspective of the diplomacy with the Vatican]," *Nihon rekishi* [Japanese history] (October 1980).

³² Allen Dulles, *The Secret Surrender* (New York: Harper & Row, 1966), 43, 61.

³³ Pollard, *The Papacy in the Age of Totalitarianism*, 360-361. Roosevelt, too, gave sufficient diplomatic consideration to the Vatican, such as sending Joseph Kennedy, U.S. Ambassador to Great Britain, as the official representative to the coronation of Pius XII in March 1939. *Ibid.*, 311.

Baltic countries, which had significant Catholic populations, went against the principles of the Atlantic Charter. The agreement reached at the Yalta Conference among Roosevelt, Churchill, and Stalin to establish communist control over Poland and divide Germany must have been the worst outcome for the Pope, Montini, Tardini, and others.³⁴

An estimated six million Catholics lived in Ukraine, Belarus, the Baltic countries, and Poland, including the Uniates who followed the Roman Catholic and Greek Orthodox liturgies. Following the Russian Revolution, Pacelli, as papal nuncio in Berlin, held negotiations with the Soviet Ambassador in Berlin to guarantee the activities of Catholic bishops in the Soviet Union. Subsequently, the negotiations continued with the aim of granting the Holy See's diplomatic recognition of the Soviet Union in exchange for the Pope's right to appoint bishops. However, the Soviet government imposed a complete ban on activities of the Catholic Church, and illegally operating priests were sent to forced labor camps.³⁵ These negotiations with the Soviet Union during the interwar period decisively influenced Pius XII's perception of the Soviet Union.

As has been examined, intelligence about the Yalta secret agreement may have been communicated to the Japanese side in the Vatican in mid-January 1945, shortly before the Yalta Conference. There is no definitive evidence confirming whether this intelligence was really transmitted to the Japanese side during this period or if it reached Tokyo. However, there is no mistake that such attempts were motivated by the Holy See and U.S. intelligence services' clear intention to contain the expansion of Soviet influence in the post-war world and promote peace negotiations between Japan and the United States.

Conclusion

This paper examined what sort of information was exchanged from January to around May 1945 when the end of WWII came into sight and the search for peace negotiations took place in Switzerland and the Vatican—a period which previous research had not focused on. Specifically, it reviewed correspondences concerning the secret Far East agreement that was reached at the Yalta Conference, i.e., intelligence on the Soviet Union's entry into the war against Japan.

Recent studies have revealed that intelligence on the Soviet Union's entry into the war as per the Yalta secret agreement had been transmitted to Japan through army and navy attachés in Stockholm, Bern, and Lisbon after the death of President Roosevelt and the collapse of Germany.³⁶ As mentioned above, Japan maintained the communication with the United States through the OSS in Switzerland. Intelligence from army attachés in Portugal was referred to

³⁴ Ibid., 362.

³⁵ Bernard Lecomte, *Bachikan no himitsu: Kyokocho no himerareta nijuseiki shi*, trans. Yoshida Harumi (Tokyo: Kawade shobo shinsha, 2010) [*Les Secrets du Vatican*, Paris: Perrin, 2009], 11, 20, 27.

³⁶ Yoshimi Masato, *Shusenron: naze ketsudan dekinakatta no ka* [War termination: Why couldn't a decision be made?] (Tokyo: NHK Publishing, 2012).

as “M intelligence” and was obtained from U.S. and British sources.³⁷

This paper concludes that an intelligence warfare was underway over the Yalta secret agreement before the Yalta Conference was held in the Vatican, a neutral country. Intelligence about the Yalta secret agreement was utilized as a lever to promote peace negotiations between Japan and the United States. Furthermore, amid this clandestine warfare, the OSS began to function as a somewhat independent actor from U.S. politics and the military, i.e., to operate as an intelligence agency.

Lastly, this paper will touch upon the Yalta secret agreement itself. Franklin Roosevelt is regarded as one of the greatest presidents of all times. Separate from this assessment, scholars’ opinion of his conciliatory diplomacy toward the Soviet Union during WWII became divided during the Cold War. Some attributed it to realism and military need to maintain the Grand Alliance, while others attributed it to Roosevelt’s naiveté or treason by policymakers who were close to the president and were sympathetic to the Soviet Union. This paradigm continues to this day.³⁸ The Japanese government has reiterated its position that Japan is not a party to the Yalta Agreement and is not bound by it by any means.

³⁷ Miyasugi Hiroyasu, “‘Zaigai bukan (taikoshi) denjohomo ichiranhyo’ ni miru senji Nihon no joho katsudo [Intelligence activities by Japanese military and naval attaches during World War 2],” *Seikei Kenkyu* [Studies in political science and economics] 46, no. 2 (November 2009); Miyasugi Hiroyasu, “Dai niji sekaitaisenki churitsukoku Supein Porutogaru de no Nihon no joho katsudo to gaiko gunji e no eikyo [Japan’s intelligence activities in neutral Spain and Portugal during World War II and their diplomatic and military impact],” *Takushoku Daigaku kokusai nihon bunka kenkyu* [Takushoku University research for global Japanese studies], no. 1 (March 2018).

³⁸ Mark A. Stoler, “Still Contested and Colonized Ground: Post-Cold War Interpretations of U.S. Foreign Relations during World War II,” in *America in the World: The Historiography of American Foreign Relations since 1941*, ed. Frank Costigliola and Michael J. Hogan (New York: Cambridge University Press, 1996), 59.