

YARDLEY'S DIPLOMATIC SECRETS

Robin Denniston

ADDRESS: 112 Randolph Avenue, London W9 1P0 ENGLAND.

ABSTRACT: Herbert Yardley's claims to be the father of modern American cryptology are here examined in the context of the work of his Black Chamber before and during the Washington Conference of 1921. While doubts emerge as to the actual importance—during negotiations over national ratios—attaching to the chief American delegate's access to secret Japanese intercepted cablegrams from Tokyo to Washington (and *vice versa*) with instructions on procedure, the lesser known but equally important negotiation over the status of the offshore Pacific islands of Yap, gives new justification for Yardley's claim that his bureau's intercepts significantly aided the American delegation to achieve more for American business interests than it otherwise would. These negotiations are covered at length in Yardley's unpublished book, *Japanese Diplomatic Secrets* which is examined here for what new evidence there may be to support Yardley's claims

KEYWORDS: Cryptology, codes, ciphers, secret diplomacy, Yardley, Washington, Japan, America, England, Yap, Pacific.

CHAPTER ONE INTRODUCTION

Herbert Yardley made only a marginal contribution to United States foreign policy, but for historians of secret intelligence he continues to be an instructive and controversial figure. Controversy has centered on his claims to cryptanalytical greatness, on the historical significance of his codebreaking work during the Washington Conference of 1921, on the closing of his bureau in 1929, on the recently confirmed suspicions that he sold his secrets and his methodologies to the Japanese in 1930, on the publication of his *The American Black Chamber*—and on the impounding of its sequel, 'Japanese Diplomatic Secrets', complemented by the passing of a security measure, the so-called 'Yardley Act' of 1933.

He remains of interest in the history of American secret intelligence for two reasons. The first is that he is one of the first cryptanalysts to develop skills different, though allied, to those of a cryptographer: acting on the belief that virtually nothing is indecipherable, his cryptanalytical exploits, as related in his

memoir, *The American Black Chamber*¹, induced the American authorities to study the problems and opportunities of the developing skills of signals intelligence during and after the First World War. The second is his thwarted attempt to develop information and methodology transfer between America and Britain in 1918—an attempt which quickly earned him the suspicion of his British counterparts who took their revenge on him 22 years later by refusing to cooperate with the Canadians who were employing him to set up their cryptological bureau in Ottawa². The latter incident came to light only recently³. It gives further damning evidence of his notoriety as the bureau chief who had betrayed his country's secrets⁴. Although he appears regularly in the literature of secret intelligence⁵, yet diplomatic historians pass him over in silence⁶. This judgment

¹See Herbert O. Yardley, *The American Black Chamber* (Indianapolis: Bobbs Merrill, 1931).

Also Yardley, *The Chinese Black Chamber*. Introduction by James Bamford. (Boston: Houghton Mifflin, 1983).

²See J. L. Granatstein and David Stafford, *Spy Wars: Espionage and Canada from Gouzenko to Glasnost* (Toronto: McClelland and Stewart, 1990).

³See Wesley Wark "Cryptographic Innocence: The Origins of Signals Intelligence in Canada in the Second World War" in the *Journal of Contemporary History*, vol. 23, 1987.

⁴See e. g. Robert G. Angevine, "Gentlemen Do Read Each Other's Mail: American Intelligence in the Interwar Era", *Intelligence and National Security*, vol. 7, no. 2 (1992) and John Ferris, "From Broadway House to Bletchley Park: The Diary of Malcolm Kennedy 1934-46", *Intelligence and National Security*, vol. 6 no. 2 (1989), and A. G. Denniston, "The Government Code and Cipher School Between the Wars", *Intelligence and National Security*, vol. 1 no. 1 (1986).

⁵James Bamford, *The Puzzle Palace: Inside the National Security Agency* (Boston: Houghton Mifflin Company, 1982).

Ladislav Farago, *The Broken Seal: Operation Magic and the Road to Pearl Harbor* (New York: Random House, 1967).

Ronald Lewin, *The American Magic: Codes and Ciphers and the Defeat of Japan* (New York: Farrar, Straus and Giroux, 1982).

David Kahn, *The Codebreakers: The Story of Secret Writing* (New York: Macmillan, 1966).

David Kahn, *Kahn on Codes* (New York: Macmillan 1983).

Christopher Andrew and David Dilks (eds.), *The Missing Dimension: Governments and Intelligence Communities in the 20th Century* (London: Macmillan 1980).

Christopher Andrew and Oleg Gordievsky, *KGB: The Inside Story of Its Foreign Operations From Lenin to Gorbachev* (London: Hodder and Stoughton, 1990)

Ronald Clark, *The Man Who Broke Purple: The Life of the World's Greatest Cryptologist Colonel William Friedman* (London: Weidenfeld and Nicolson, 1977).

Nathan Miller, *Spying for America: The Hidden History of U. S. Intelligence* (New York: Paragon House, 1989).

J. L. Granatstein and David Stafford, *Spy Wars: Espionage and Canada from Gouzenko to Glasnost* (Toronto: McClelland and Stewart, 1990).

Nigel West, *GCHO* (London: Weidenfeld and Nicolson, 1986).

⁶See Roger Dingman, *Power in the Pacific: The Origin of Naval Arms Limitation* (Chicago UP: 1976).

Akira Iriye, *After Imperialism* (Cambridge, Mass: Harvard UP, 1965).

R. F. Kaufman, *Arms Control During the Pre-Nuclear Era: The United States and Naval Limitation Between the Two World Wars* (New York: Columbia UP, 1990).

Ian Nish, *Alliance in Decline: A Study of Anglo-Japanese Relations* (London: Athlone Press, 1972).

Charles New, *Troubled Encounter* (New York: Wiley, 1975).

Stephen Roskill, *Naval Policy Between the Wars* vol. 1, 1919-1929 (London: Collins, 1968).

by omission is apt, even if arrived at accidentally, and without knowledge of the relevant sources. These sources were substantially augmented on when David Kahn discovered the manuscript in 1968. This discovery offers an opportunity to study Yardley's claims for himself and his work from a new angle.

The present dissertation represents the first attempt at a non-cryptological examination of his claims for his work in 1921 in Washington, re-assessed against the published record, as it stood both in 1933 when it was completed, and in 1992.

The most favourable statement of the American Black Chamber's achievement is that of Yardley himself, as set out on pages 967-70 of the typescript of 'JDS'. "If there had been no black chamber, the course and consequences of the Washington Conference might have been different." The trouble with this thesis is that there can be no certainty about what did not happen, and counterfactual history can be an ineffective exercise. But by comparing Yardley's conclusions as well as his main text with the published record of the conference, both in Washington and Tokyo it is possible to see that Yardley's case, though not negligible, is overstated⁷.

The two major concessions wrung, according to him, from the Japanese by the American use of privy access to diplomatic traffic between Tokyo and the Japanese team in Washington, were the naval ratios U. S.-Britain-Japan at 10-10-6 rather than 10-10-7, and the Japanese acceptance of major restrictions on their control over the island of Yap. But of these concessions the first, when set in context, was little more than a Pyrrhic victory. The Japanese Foreign Ministry, with more than enough on its plate already, perceived that a reduction in the battleship building programme would be acceptable to public opinion in Tokyo, where Japanese delight in its newly acquired great power status was balanced by a strong awareness of the crippling costs of naval building in peace-

John Costello, *The Pacific War* (London: Michael Joseph, 1977).

Richard R. Storry, *A History of Modern Japan* (London: Routledge, 1960).

Richard R. Storry, *Japan and the Decline of the West in Asia 1894-1943* (London: Macmillan, 1979).

Sadao Asada, "Japan's 'special interest' and the Washington Conference" in *American Historical Review* vol. 67 (1961-2).

⁷Books and scholarly articles on the Washington Conference abound. It may be useful to divide them by date—those published before the completion of 'J. D. S.' in 1933, for the most part listed in the bibliography Yardley provided at the end of his text; those published between 1933 and 1945 in which deteriorating relations between Japan and the rest explain more entrenched attitudes towards the course and consequences of the Conference (Japanese historians in particular deploring Anglo-American conspiracy to deny Japan her rights) (particularly Sprout, H. and Sprout, M. *Toward a New Order of Sea Power: American Naval Policy and the World Scene 1918-1933*, (Princeton: Princeton UP, 1943) pp. 116-274); and a more revisionist approach to Far Eastern problems evident in the work of Professor Richard Storry, Professor Ian Nish, Dr. Charles New, Michael Montgomery and Professor Roger Dingman. These historians bring a new understanding of the problems faced by the Japanese plenipotentiaries at the conference, in particular the unpredictable and highly charged public perception of Japan's new status as a super power, in the minds of the press and public in Japan in 1921.

time. While Yardley and some historians of the Washington Conference would have us believe that a substantial diplomatic victory was gained by the Americans and British over the Japanese by forcing through the 10-10-6 ratio against the Japanese expressed desire for 10-10-7, using the information from intercepted foreign ministry cablegrams, the truth seems to be that public opinion in Tokyo was strongly divided on the issue, with bankers and politicians concerned with likely budget deficits and seeing no great merit in the larger proportion, but considerable international advantage in being seen to yield gracefully.

It was the second concession that partly justifies Yardley's boast that his decryption activities in the Cipher Bureau, supported by the State and War Departments, affected the outcome of the conference. France, Italy and England all sought America's favour after the war, or they would otherwise have supported the Japanese stand on Yap, mandated to her unequivocally by the League of Nations. This mandate was perceived by American business interests to be unfavourable to their cause, and they pressed the need to seek new cable and wireless rights. New initiatives were taken by the American delegates in the course of the conference, which began in November 1921. The European powers left America to make the running over Yap, and Japanese public opinion was shocked at the new American attitude.

The international status of Yap, a small but strategically sited island used by the Germans for wireless purposes, had been on the agenda of the Communications Conference which preceded the Washington Conference, but whose prolonged deliberations over Yap extended almost the entire length of the main conference. The chief Japanese negotiator, Ambassador Kijuro Shidehara, eventually accepted a new and substantial American presence on Yap, nominally to safeguard her cable security, and this consigned both him and his foreign policies to oblivion all through the 1930s. Further implications of American intransigence over Yap in 1920-1 partly explain the deterioration of Japan-American relations in the Pacific, which culminated at Pearl Harbor in 1941.

Yardley's bureau may well have supplied additional strength to the American claims over Yap, by showing how narrow was the gap between Shidehara, who pursued a conciliatory policy over Yap, and the Foreign Ministry who were bewildered by new American bullyboy tactics. My discussion of the Yap issue before and during the Washington Conference suggests that the Americans took the opportunity to gain substantial new rights for American commerce in the Central Pacific region, and that their strong-arm tactics, in marked contrast to their attitudes on other agenda items such as China, can justifiably be ascribed to the special knowledge they were gaining—via the cipher bureau—of Japan's urgent need to have Yap settled on almost any terms so long as she retained

the mandate. Yap was widely regarded in Tokyo as an off shore Japanese island and this was the context in which Yardley's intercepted cablegrams were being utilized by the American chief delegate—Charles Evans Hughes.

The focus of secret intelligence history has hitherto been on World War II and after, the nuclear and cold war eras. A return to the secret negotiations over Yap in 1921 may prove a useful reminder that an early chapter in the history of signals intelligence was written by Yardley and his Black Chamber. Cable and wireless security was only in its infancy, and in Yardley the American delegation had an expert witness to the power that interception and manipulation of secret cable traffic could give.

The Communications Conference predated the Washington Conference by nearly a year. Cable rights on Yap was a main agenda item. The Communications Conference has not received much attention from historians, perhaps because it was not until 1974 that the secrets of Enigma and Ultra were first divulged. At that point awareness of the importance of cable and wireless interception gave a new impetus to the writing of intelligence history.⁸

The need for a conference to co-ordinate the new systems of cable and wireless had been identified in 1913 and Paris had been proposed as the most suitable venue for participants. Most countries had at least some interest in the matter, for commercial rather than strategic reasons. But the Great War changed the picture dramatically. Germany had been a notable innovator in the new technologies of cable and wireless communication, Britain was widely regarded as a major player whose practice of 'cable interference' was a running sore for American business, and France, the Netherlands, Italy and Japan all urged the need for a postwar 'Electrical Conference' principally to establish the disposal of the German cables sealed or severed by the allies in 1915. The Americans were determined to hold the conference in Washington, but it soon proved impractical to invite all nations except former enemies, as originally proposed. Japan and France were both reluctant to attend a large-scale conference on such sensitive matters, and a preliminary conference, attended by the Principal Allied and Associated Powers (Britain, American, Japan, France, Italy) to prepare the agenda for a later and greater conference, met in November 1920 under the chairmanship of the Secretary of State, Norman Davis with W. J. Brown of the British Post Office as permanent secretary.

Apart from a remarkable exchange between Davis and Brown on British cable inference, the conference was largely devoted to Yap about which historians of the Washington Conference have had little to say. It was regarded, along with

⁸The findings of the various subcommittees—one of the most important being that on Yap—were never formalized in a treaty, but evidence of their work is to be found in *Foreign Relations of the United States* (1921, vols. 2 and 3) and in an academic monograph by Tribolet.

the more visible problem of American discriminatory immigration laws, as being a perennial problem but unlikely to lead to war. Yap was important only as an island where wireless cables came on to land, reasonably close to what were thought to be lucrative commercial markets in China and the Far East.

If historians in the West have failed to see in the Yap question anything of importance to match, for instance, the naval ratios, the Japanese record is somewhat different. In the 1930s, historians there roundly regarded the outcome of the Washington Conference as a national disgrace for Japan, and blamed Shidehara for his placatory stances over Yap and other important agenda items. But since the war and the re-writing of Japanese diplomatic history a rather less nationalistic note is discernible. Forgotten is the furore caused by the publication in Tokyo in 1931 of the Japanese translation of Yardley's *The American Black Chamber*. I hope that a modest plea for the part MI8 played over Yap in supplying decrypts revealing the Japanese government's hesitations may go some way to justify Yardley's claim for a place in diplomatic history.

While there is some concentration on the period in which 'JDS' is assumed to have been compiled, offered for publication and then impounded—probably 1930–33—I cover the whole of Yardley's professional life from 1918 to 1941, including his apprenticeship in cryptanalysis, his European visit in 1918–9 and the setting up of his unit within Military Intelligence Division (MID). This was a period of great expansion for American intelligence agencies. Yardley rode on the crest of a wave of enthusiasm for all secret activities, especially signals intelligence. The ending of the war saw reduced numbers and some marginalisation of the work of cryptanalysts, due to the lack of cable intercepts. This decline in traffic after the Washington Conference, due to peacetime conditions, may account for the lack of any significant achievements of the black chamber in the later 1920s, but the demise of the chamber in 1928 may have led to Yardley's deliberate betrayal of his methodologies to Japan, probably in 1930, the facts of which were published by Farago in 1967 but which have been corroborated only in 1992.⁹ The implication of Yardley's treachery deserves some scrutiny, and throws new light on some received ideas of the conduct of cryptanalysis and the management of resources between the wars.

By way of comparison, the parallel decline in the funding of the British Crypt-

⁹See *The Surveillant* 2. 4. (1992) p. 099. Commenting on the fact that he sold his papers and his research to a foreign government, the writer adds: 'This fact was once a classified aspect to Yardley that we believe, has never been discussed openly and yet appeared openly within the intelligence community in 1988, though unnoticed. Word of Yardley's lack of good judgment appeared first in an 11-page pamphlet released by the National Security Agency in 1988 titled *Pioneers in U. S. Cryptology*. The key document, an internal Japanese foreign ministry memorandum indicated that Herbert O. Yardley was paid the \$7000 in 1930 (after the closing of the Black Chamber). And Japanese documents were later found which make reference to, or used techniques devised by Yardley'. *The Surveillant*, though reliable and well informed, is not an official source.

analytical Bureau, the Government Code and Cipher School, goes some way to corroborate the marginalisation of his Black Chamber. Both bureaux were dramatically reduced in size, funds for both were low, opportunities for significant decoding few and far between; but whereas GC and CS soldiered on until the Abyssinian crisis providentially provided its cryptographers with solutions to some Italian codes, Yardley's bureau went through a crisis, and he took his revenge for the neglect he could not forgive by comprehensively betraying his secrets and methodology to the Japanese.¹⁰

Such a reaction may have stemmed from paranoia. After all, other American cryptographic bureaux, at the Office of Naval Communications under Captain Laurance Frye Safford and the Army's Signal Corps under William Friedman, fared little better yet remained in business and developed valuable new techniques from 1930 onwards.¹¹ Something went very wrong after Yardley attended a refresher course in cryptology organised in 1929, and before some point in 1930 when he decided to sell what he knew to the Japanese. Documentary sources at the National Archives and the George C. Marshall Research Library provide few clues as to the causes of Yardley's deterioration at this point¹², but they also cast doubts on some of the boasts in *The American Black Chamber*, and reveal an isolated figure rapidly becoming unacceptable to professional colleagues in America and Britain. There followed the publication of *The American Black Chamber* in book and serial form, with translations, angry accusations of lying and misleading, of indiscretions amounting to treachery. Two years later 'Japanese Diplomatic Secrets' surfaced and was impounded. The so-called 'Yardley Act' followed, and Yardley himself was in the wilderness.

After the failure of some business ventures, Yardley accepted the command of a cryptanalytical bureau in Chunking, provisional headquarters of the Chinese

¹⁰ See especially Farago, *The Broken Seal* p. 396, which documents the Japanese side of the Yardley crisis, listing interviews, interrogations and documents in the Japanese Foreign Ministry's Yardley files, all dated 1931. See also Appendix I. It is reasonable to regard the sources as suspect, or rather of being a case of shutting the stable door after the horse has bolted.

¹¹ See L. Farago, *The Broken Seal*, pp. 41–46, R. Clark, *The Man Who Broke Purple*, pp. 133–135, J. Bamford, *The Puzzle Palace*, pp. 54, 56, Kahn, *The Codebreakers*, p. 387.

¹² I refer in what follows to two main documentary sources. These are the selection of cryptologic documents released to the National Archives and Records Administration (NARA) on March 1st 1989 in RG (Record Group) 457. They contain SRH 029, Friedman's brief history of the signals intelligence service dated 1942 and 'A Selection of Papers pertaining to Herbert O. Yardley: 1917–50'—a file which includes War Department memoranda and labelled SRH 038. Page 113 of this file contains the summons to duty training in February 1929, and an impressive report on the course by Yardley on May 27, 1929 (p. 118).

The other source is the William and Elizebeth Friedman Papers held by the George C. Marshall Foundation (Lexington, VA 24450). These are especially valuable as a dossier built up by Friedman in 1930 and thereafter essentially as evidence for the prosecution for those who suspect that much of Yardley's memoir is unreliable, inaccurate and claiming credit for work actually performed by others.

Correspondence with Professors Akira Iriye and Haitano has not yielded any further evidence of the nature of Japanese reactions to the publication of *The American Black Chamber*.

national army under Chiang Kai-shek. His adventures there are related with gusto in his final book, *The Chinese Black Chamber*, as well as *The Education of a Poker Player*.¹³ On his return to Washington in 1940 his days as a cryptanalyst seemed over, but an intervention by General Mauborgne, Chief of the U. S. Signal Corps led to his appointment to set up a cryptanalytical bureau near Ottawa for the Canadians in 1941. We shall review new evidence of the hostility generated by the very name Yardley in the minds of his ex-colleagues, which suggests that the British stiffened the resolve of the Americans to renege on their previous approval of Yardley's Ottawa appointment. Certainly not all Americans opposed his return to Washington or his new job to Ottawa, until the views of Bletchley Park on Yardley were transmitted to a new head of the U. S. Army Signal Corps, at which point he returned to Washington a defeated man. He survived and prospered in business until his retirement to Florida and his death there in 1958, which was marked by genuine expressions of sadness from his late colleagues.¹⁴

In summary, Yardley was a clever operator and an original man, whose inherent characteristics made him his own worst enemy. Having failed to join the establishment he aspired to, he degenerated from being a self-taught, highly regarded colleague in secret signals intelligence to a morose, tragi-comic figure, later a mercenary and a traitor. Had his unusual perceptions and skills been put to full use in the early 1920s he might have contributed useful services as a Japanologist after the Washington Conference. Despite his ignorance of the language he was well informed on Japanese foreign policy as Edna Yardley confirms in *The Chinese Black Chamber*. But his absence from cryptanalytical progress in America in the 1930s—pre-empted by an altogether more suitable man—William Friedman—stemmed from the flaws in his own character. By publishing *The American Black Chamber*, with its false claims and dangerous revelations about the secret intelligence activities of Britain as well as America, he threw away his longterm credibility as a bureau chief. The final count in any contemporary prosecution indictment would have been (had the facts been known) that before he told the world what he did and how he did it, he had already sold the information to the nation most likely to benefit from the knowledge—the

¹³Documentary evidence relating to this period in Yardley's professional life is also to be found in the Hoover Institution Archives, Stanford, CA 94305—collection title Stanley K. Hornbeck, Box number 449, folder ID 'Yardley, Herbert O.' In one secret priority telegram to the Secretary of State from Chungking, dated February 23, 1940, the consul (Peck) reports that Yardley was anxious to leave China 'Recently five organizations maintained separately have been combined to form new intercept organ with personnel of 800 and he thinks he has a good chance of getting full charge. . . . He is anxious to cooperate with the War Department and question whether he can or not serve his Government will strongly influence his final decision whether to stay here or leave.' See also *The Chinese Black Chamber* and *The Education of a Poker Player*.

¹⁴See D. Kahn, *The Codebreakers*, p. 369, and obituaries in the *New York Times* (August 8, 1958) and *New York Herald Tribune* (August 9, 1958).

Japanese.¹⁵

CHAPTER TWO YARDLEY'S ENCOUNTERS WITH THE AMERICAN INNER CIRCLE: THE MAKING OF A MALCONTENT

Between taking Yardley at his own overestimation as a catalytic figure of heroic proportions, battling not just against his country's adversaries but against folly and cryptographic ignorance at home, and dismissing him as a disgruntled and reprehensible betrayer of secrets, a difficult path must be trodden. Each extreme view can be confidently argued. The case against Yardley seems virtually unassailable. But it is important to emphasise his skills, not only as a cryptanalyst but as a manager of people, whom he found and developed and who, with him, for a short period achieved significantly in the shadowy world of American secret intelligence. The shrill tone with which he extols himself in *The American Black Chamber*, and in the Preface to 'JDS' can be partly explained by the paranoid atmosphere of cryptanalytical bureaux as great wartime achievements give way to the exigencies of peacetime needs, in which the withdrawal of funds for important secret activities undermines the credibility of the agencies concerned. The temptation then to tell it, not how it was, but how it might have been with the narrator as hero, is an understandable one. The need-to-know principle, inherent in all secret intelligence work, ensures that few know everything. Those that know are not likely to disclose anything, so that the person who eventually lifts the lid is doubly vulnerable—the very action reduces the credibility of his work, and truth becomes a matter of subjective judgment in which the narrator suddenly emerges, not as a hero but as an Ancient Mariner-like figure telling his version of events to an audience of sceptics and doubters. This attempt to give priorities to Yardley's work in secret intelligence before 1921 is made in the knowledge that much of the evidence comes from a suspect source—Yardley's own memoir, while the official record, such as it is, provides little more than tantalising and mainly supporting details. The picture that emerges of a successful if maverick intelligence chief in the making is in dramatic contrast to the Yardley of 1931, after he had betrayed his secrets by selling them to a potential enemy and then publishing his own highly personalised account, in which what he actually achieved is deeply obscured by his claimed achievements.

¹⁵L. Farago, *The Broken Seal*, pp. 44–48 and 394, R. Lewin, *The American Magic, The Surveillance*, pp. 2–4, 1992. Despite the evidence it is possible to interpret the matter differently—as a Japanese attempt to cover up their embarrassment at the ABC disclosures. But SRH-038, p. 175 has a knowledgeable source asserting the Japanese knew about 'the theft of some of their messages' during the conference.

Details of Yardley's early life were published in 1967 by two authors—David Kahn in *The Codebreakers* and Ladislav Farago in *The Broken Seal*. After attending state schools in Worthington, Indiana and Eaton Rapids, Michigan, and one year studying English at Chicago University, he became at 24 a code clerk in Washington in 1913.¹⁶ His nondescript middle-American background was characterised by his abilities as a sportsman, his mental agility, and his uninhibited enjoyment of poker-playing, hard-drinking male company. In 1913 he might not have thought of himself as up against an uncaring patrician establishment because the code room in which he worked was separated by a Chinese wall from the Ivy league politicians who were becoming dominant in the State Department. But social mobility was one of the new features of American democracy and there is no reason to suppose Yardley could not have worked his way into Washington society had he so wished. He came to the capital not only an outstanding Morse code operator—having learnt the skill in his father's small town railway office—but an ambitious, alert, highly intelligent careerist who was temperamentally incapable of taking the orthodox route.

But if he would not join the system he could try and beat it. He tried hard, urged on by his dislike of the diplomats at many levels he saw come and go. Later when he met them as equals this dislike remained; perhaps it was mutual. To Yardley they were 'Good natured, jolly, smartly dressed pygmies, strutting around with affected European mannerisms'.¹⁷ Yardley drew strength all his life from the bolder if cruder behaviour of his boyhood heroes in Worthington, Indiana. His strong words, expressed prominently in his first chapter, show Yardley already on the way to becoming a self-made outsider. On several occasions a confrontational test of skills—his against the cryptanalytical innocence of his masters and their encoders—drew him to the attention of his intelligence superiors. More than once he was promoted to key positions faster, and more irregularly, than more orthodox officers. Three intelligence chiefs in particular, William Doyle, Ralph Van Deman and General Marlborough Churchill understood him. Within that relationship, based on mutual respect, he did his best work. Listening to Doyle recalled to Yardley his boyhood hero the local baker, an exiled German aristocrat with a fund of good stories. It was Doyle who told Yardley about his dollar-diplomacy machinations in Panama and South America. Yardley carefully checked the stories against the cables in the files. At this point he came to doubt the security of American diplomatic cipher cablegrams, and thus with Doyle he

¹⁶ *The American Black Chamber* (Indianapolis: Bobbs Merrill, 1931) p. 2; also Ladislav Farago, *The Broken Seal* (New York: Random House, 1967) pp. 10–11; D. Kahn, *The Codebreakers*, p. 355 and *Kahn on Codes*, p. 64.

¹⁷ *ABC*, p. 2

worked out the need for a cryptanalytical bureau, the equivalent of what the British had developed in 1915 and since then known as 'Room 40 OB'. Armed now with a purpose in life—to head such an establishment—he became expert in the history and methodologies of cryptanalysis then in its infancy.¹⁸

His immediate purpose was to prove the insecurity of the State Department codes. He intercepted a coded cable from Colonel House to the President, solved it—probably not a great feat—in under two hours, surmised that the British would have also intercepted and probably decoded it—but could not work out to whom to entrust his suspicions. 'I had little respect for the doings of the great. . . . It is not my aim to write the musings of a mouse as he gazes at his King and his King's men'.¹⁹ He particularly disliked courtiers and was always, for better or worse, going to be his own man.

He claimed to have written a 100-page memorandum, the fruit of 16 months' work, on the insecurity of the diplomatic codes, for his bemused superior, David Salmon, who told him, 'England maintains a large bureau for solving diplomatic correspondence'.²⁰ This document has never been found. Yardley was obsessively determined to break a newly introduced code, substituted after his proof of the fallibility of the previous system. His masters had to learn not just that nothing is indecipherable, but that only by employing him to run a cryptographic bureau for them could security and success be achieved. 'You know, and I know', he told his superior, 'that I do not belong to the coderoom'.²¹ He was determined to leave the State department and become the army's cryptanalyst.

This was a reasonable step to take, for America was by now in the war. The War Department was dominant. The War Department needed a cipher bureau. The head of that bureau had to be Yardley. That was his game plan—the fulfilling of his life's purpose. But by the time he achieved it his working habits and inability to play in any position but captain had already poisoned the roots of his personality. And after 1922 the poisons were to grow stronger as his scruples receded.

Up to this point, he had proved a good officer and a well organised employer, liked by his recruits for his 'energetic illiteracy' or 'native intelligence'.²² He collected a group of men and women interested in codes and ciphers, drew up courses of instruction for them and 'it began to look as if the war had converted me into an executive instead of a cryptographer'. Nor did he take all the credit

¹⁸ *ABC*, p. 3. See also Bamford, Lewin, Kahn *ops. cit.*.

¹⁹ *ABC*, p. 5

²⁰ *ABC*, p. 9

²¹ *ABC*, p. 12

²² *ABC*, pp. 22–23

himself—he was generous to those in whom, like John Manly, he identified cipher brains²³.

The officer in charge of his work at MI8 was General Van Deman, who proved an understanding boss who could get the best out of his difficult young colleague. At that stage in his career—with his acknowledged achievements still to come—all his talents were fully stretched, while his tendency to self-glorification and cynicism were kept in check by the rigours of the working day. But these rigours were such that after 14 months with MI8 he was under strain—in all probability of the same nature and cause as those endured by Friedman later—and asked to be relieved of his duties—at which point he avoided being seconded to Siberia with the American invasion force there and was awarded a posting to France²⁴.

His visits to London as well as Paris in 1918–9 present any biographer with something of a puzzle. On the one hand it is clear that despite his brashness and inexperience he had become important enough in American secret intelligence to make his own way through the cryptanalytical establishments of two wartime allies with minimum supervision and with the widest possible remit. On the other he clearly failed to impress either establishment, spent substantially, and returned home lucky to find himself still employed. He failed to establish himself with his opposite numbers at the Admiralty and the Quai D'Orsay while offering them hospitality at the army's expense. He would regularly run up dinner bills at leading London hotels like the Savoy and the Ritz.²⁵

The dinners achieved little, but despite this General Churchill arranged for Yardley's promotion to major in November 1918—as a very efficient expert on codes and ciphers²⁶. On his return in 1919 Yardley again requested his discharge, but was recommended for further promotion²⁷. By June 23, 1920, the American Black Chamber was set up in New York and in 1921 he became a major in the Army Reserve Corps. A year later, on November 9, 1922, as the Washington Conference was getting under way he received the Distinguished Service Medal, along with a personal recommendation from General Pershing, the American GOC forces in Europe²⁸. 1922 was the best year of his life.

²³ *ABC*, p. 174

²⁴ *ABC*, p. 143. See also SRH - 038 for his posting, his itemised expenses and other official correspondence.

²⁵ SRH-038, pp. 021–5 for expenses. Hotels used include The Trocadero, Ritz, Piccadilly, Strand and Savoy.

²⁶ SRH-038, p. 022.

²⁷ SRH-038, p. 034.

²⁸ SRH-038, pp. 090, 091.

His Work at the Washington Conference and After

The prime source for Yardley's breaking of the Japanese diplomatic code in 1922 is in chapter 14 of *The American Black Chamber*. Even if it is exaggerated or inaccurate in detail, it remains a formidable account of a considerable intellectual achievement. Yardley's superiors were from the start especially concerned about the Japanese codes and begged Yardley to tackle them. It took him and his co-workers nearly five months, and almost drove him mad. Twice subsequently the Japanese changed their codes, and twice Yardley re-cracked them.

It is difficult, however, to square Yardley's claims for the results with the record. Most historians now accept that the American administration knew in detail and day-to-day of the exchanges between the Foreign Ministry in Tokyo and the delegates in Washington. But these perceptions and tactical responses to the American and British negotiators developed during a conference notable for swift reactions amongst the delegates, and a constantly changing agenda. The Americans had other useful sources of intelligence which corroborated what the intercepts spelt out. An American naval attaché in Tokyo had good contacts and he advised the Navy Department on October 17, 1921 that Japan would settle for 10-10-6.²⁹ Despite Yardley's reiterated claims that without his decrypts the Americans would not have achieved all they did, there is—there can be—no corroborative evidence.³⁰ A historian looks in vain—apart from the American handling of cable and other rights on the Japanese mandate of Yap—for situations where knowledge of the specific content of a decrypt can be shown to have caused a direct change in the American negotiating position, since many of the matters covered by the decrypts do not figure significantly in the overall progress of the conference, and indeed are too detailed and repetitious to be related directly to the daily outcome of negotiations.

What could have been important, however, was that Yardley was growing to understand the Japanese mind in the course of his diligent eavesdropping, and that knowledge could have been put to good use during and after the conference. But Charles Evans Hughes—in a most unexpected and impressive way for someone so inexperienced in foreign affairs—personally conducted negotiations on a day-to-day basis, sometimes without even a secretary in attendance.³¹ He

²⁹ See L. Farago, *The Broken Seal*, pp. 29, 30, 31.

³⁰ *ABC*, *passim*, 'JDS', Preface and Conclusions.

³¹ See *Foreign Relations of the United States (FRUS)* 4 vols. Washington: Government Printing Office, 1936, vols. covering 1921 and 1922: the only record of several important discussions of island fortifications was taken by Sir Maurice Hankey who accompanied A. J. Balfour. These were submitted to Mr. Hughes who personally amended them—a Churchillian performance for which he has never been given his full due. See especially vol. 1 for 1921, pp. 90-107, 177-230 and vol. 2 for 1922 pp. 599-604.

may have been supplied regularly with the decrypts, though neither he nor any of his biographers ever referred to them: but his tactics were worked out in the arena, the product of a powerful and brilliant advocate with an agenda of his own, which combined a few strong central principles with fast footwork when ignorance or inexperience put him at a temporary disadvantage.

His style was set in his opening speech, on which neither the Japanese nor the British had any prior briefing but which was the result of painstaking discussions with the Navy Department. It took the world's press by surprise and formed the basis of what came to be known as the 'Washington system', a commonality of views on open diplomacy, disarmament, peace, prosperity, competitive coexistence out of which the treaties and accords grew naturally. Yardley's intercepts would not have influenced the lofty goals which Hughes offered to the delegates.

If Yardley's secret information on Japanese diplomacy had little positive influence on American thinking, it can still be claimed that Yardley's work in 1921 vitiated the Japanese negotiating position over the embargo on all fortifications within a radius of 2,000 miles of Japan, on the size of their navy compared with that of Britain and America, and on their rights to the island of Yap. Yardley certainly thought so, and that is the main thrust of 'JDS'. But the Japanese plenipotentiaries in Washington had little room to manoeuvre in any case. There were times when they were at odds with their Foreign ministry in Tokyo, which was more closely attuned to what domestic opinion expressed in press comment in Tokyo decided was, or was not, acceptable to the people. Over the size of the navy opinion generally was that a smaller navy had such financial advantages as to outweigh any loss in great power status, and a certain amount of artificially stimulated jingoism to rally public opinion was required to enable the delegates to keep pressing convincingly for better ratios.³² Shildehara wanted Japan's international reputation as a lawabiding nation to be strengthened by

³²'JDS', *passim*. But compare Sprout and Sprout: *Toward a New Order of Sea Power: American Naval Policy and the World Scene 1918-1922* (Princeton 1943). There were indications that a more liberal current of Japanese opinion did not fully support the official position. This was clearly revealed when Baron Kato [Chief Japanese delegate], on November 17, summoned the Japanese newspaper correspondents (in Washington), and sharply reprimanded them for attempting to put pressure on the delegation to accept the Hughes proposal without reservations.' *New York Times*, November 18, p. 2; Mark Sullivan, *The Great Adventure at Washington* (1922), pp. 123-4. And see the reports of the United States Ambassador Warren in Tokyo. *FRUS*, 1922, vol 1, pp. 67, 68.

Also (p. 67, 67) 'The Japanese would compromise, if necessary to avoid a rupture and the complete isolation of the Island Empire,' p. 169. On successive days from Nov. 28 the *New York Times* carried the following headlines: 'Tokio is prepared to yield on ratio': 'Naval experts uphold our ratio and Japan is expected to yield': 'crisis on naval ratio plan passed: Japan's consent is imminent.' (p. 169)

Also (p. 170-1) The point of departure was a suggestion from Kato that Japan would accept a 60% ratio in return for concessions from the US, including the retention of the battleship MATSU, (already commissioned), and an embargo on the further fortification of American- and British-held islands close to Japan.

Also (p. 171) the *New York Times* (July 28 and Sept 14) reported Japan would come to the arms conference with instructions to demand limitation of insular naval base, in return for naval reduction.

the conference, even if that meant losing some short-term advantages to make the West feel good.

On balance no participating nation was seriously displeased at the time by the outcome of the conference, and it was only later that the Japanese came to feel hard done by. In any case they had other things on their mind. During the conference the entire Chinese cabinet resigned, making successful negotiations on Far Eastern questions unlikely. Fighting was still going on round Vladivostok between Chita forces, backed by the Japanese plus a large contingent of Czechoslovak troops, and the forces of the Russian revolution, which won significant battles and established a potentially vengeful enemy to the north of Japan. And Japan's own expansionary needs on the Asiatic littoral were barely contained in the Washington accord on Shantung. Only five years after Washington, Japan had launched the Northern Expedition to invade Manchuria and provoke a major war with China.

This formed part of the context in which Ambassador Shidehara and Baron Kato, First Lord of the Admiralty, tried to make sense of the 'Washington system', and what Yardley did to frustrate their efforts does not seem in retrospect to have accelerated Japan's progress towards war in the Pacific, despite the indignation they aroused when he revealed them in *The American Black Chamber*³³.

This does not lessen Yardley's cryptanalytical achievement in 1921-2. No one has denied that he repeatedly, and at great cost to himself and his team, broke the Japanese diplomatic codes. Nonetheless, 1922 was the high point of his professional life and the last year—until 1928—of which there is any mention either in the files or in *ABC*. There must have been little of interest to do or record and file. His bureau was jointly funded by the State Department and the army, but the funds supplied barely covered the expenses of a small undercover office in New York. In Britain a parallel situation was developing, with the head of GC and CS reporting in 1921 that there was no traffic even worth recording³⁴. Yardley could have said the same. With inadequate funding and small staff numbers of variable equality, little work and declining morale, the endpoint for both diplomatic and cryptanalytical bureaux between the wars could only have been averted by a new international crisis, generating increased cable and wireless traffic and raw material for decryption.

But the later 1920s was a period of international stagnation, and Yardley's work by this time had been marginalised. His own future as the government's

³³See *The Baltimore Sun*, August 20, 1931, and K. K. Kawakami in *The Japanese American*, August 22, (SRH - 038, pp. 162-168).

³⁴A. G. Denniston, 'The Government Code and Cipher School Between the Wars' in *Intelligence and National Security*, vol. 1, no. 1, (January 1986) p. 47.

leading cryptanalyst was to be threatened by the establishment of separate service bureaux in the Office of Naval Communications under Lieutenant Commander Safford and in the Army's Signal Corps under William Friedman³⁵. Unlike Yardley, Friedman produced convincing reasons for training cryptanalysts in peacetime in expectation of wars to come. He convinced the authorities that funding for wireless intercept stations and for the recruitment and training of cryptanalysts was justified, while Yardley remained ineffectively in New York.

The interwar period also brought logistical difficulties about which countries to target, given that resources were slender and the allies of one year might become the enemies of the next. Reduced to solving low level codes of some South American republics, Yardley's group, isolated from its paymasters in Washington, produced little of value, and, according to Friedman's later history its members turned to other means of making a living. He planned to increase his earnings by collaborating with his best lieutenant, John Manly, in a series of exposés of aspects of their work in Collier's magazine (the venture came to nothing)³⁶. The Washington establishment, spearheaded by Friedman, was quietly cooking Yardley's goose even before the arrival of the new Secretary of State, Stimson, and his abrupt dismissal of the Black Chamber and its staff³⁷.

This took place at the end of 1929, by which time Yardley was in deep trouble. The disenchantment between him and his Washington superiors had become harmful to his professional existence, and he knew it. When he attempted to resign his reserve commission, he was told 'You have an excellent record', but his resignation became effective in 1931³⁸. Between these two events, probably in the summer of 1930, Yardley contacted a Japanese journalist, and informed him that he had valuable information that could interest the Japanese embassy. The journalist, Takada, arranged for Yardley to meet Setsuzo Sawada, the Counsellor at the Japanese Embassy. Yardley thereupon offered to disclose his methodologies, his breaking and reading of the Japanese codes, his knowledge of what Britain was up to—in return for \$10,000 cash. Sawada reported to Tokyo, and two Japanese experts were immediately seconded to Washington under assumed names and with diplomatic passports³⁹. They were Captain Kingo Inoye, a cryptanalyst from the Imperial Navy, and Naoshi Ozeki, chief cryptographer at the Foreign Ministry. They bought all Yardley had to sell for \$7,000—including his worksheets and his solutions of other codes which had hitherto eluded the

³⁵Farago *op. cit.*, pp. 50, 56, 58.

³⁶Letter from Friedman to McGrail dated April 13, 1931, in SRH - 038 (item 62).

³⁷SRH-029, 'A Brief History of the Signal Intelligence Service'.

³⁸SRH - 038 034 090 091 102.

³⁹Farago *op. cit.*, pp. 58, 59, 394. And see AMFA Reels UD 29-UD 30.

Japanese. Sawada was subsequently recalled to Tokyo to take over the cable section at the Foreign Ministry and revamp the whole cryptological process, not just to ensure code security but to develop a comprehensive new system, including intercept stations and machine encipherment⁴⁰.

The consequences of his treachery are fully documented in Tokyo and they led to the whole colour panoply of Japanese cryptology which culminated in Purple⁴¹. It can still be argued that the Japanese would have enhanced their systems without Yardley's intervention, but there are reasons for thinking this unlikely. The hierarchical nature of Japanese society and the rigid lines of command would have frustrated the sort of anarchic thought-processes generated by good cryptanalysis. It was the possibility of bending the rules and ignoring the protocols that enabled Yardley and his superiors in 1920 to establish an effective code-breaking unit in Washington, while in Britain a maverick like Admiral Sir Reginald Hall was able to break all the diplomatic rules and use the discoveries of Room 40 to devastating effect at the time of America's entry into the war⁴². Democracies are better than dictatorships—whether of the left or the right—for the work of cryptanalysis. Germany, Italy, Russia and Japan all found it either impossible or undesirable to utilise decrypts the way the British and American did from 1939 onwards. Yardley was a victim of his own tendencies to anarchy when uncontrolled by supportive superiors. He did not like being an unregarded and unnecessary cog in a nonfunctional machine; though he drew a large salary he thought he needed more. However, jobs were hard to get, the Depression threatened his living standards. In this context, to risk exposure, ruin and prison for a few thousand dollars is less the act of the careful and conservative poker player Yardley was all through his life, more the one-off act of a man in midlife crisis who felt he had nothing to lose.

Historians do not dispute Yardley's assessment of his career in the early 1920s. Thereafter relations between the Black Chamber in New York and the secret intelligence authorities in Washington became strained, for Yardley was by no means the only able cryptanalyst in sight.⁴³ He appears to have maintained a constant—and perhaps justifiable—criticism of the operations of the signal corps, for continuing to use outmoded and easily breakable codes, for failing to insist on their proper use in the field, and for the calibre of officer serving in the corps. He refused to cede cryptanalytical skills to the code and cipher clerks from whose ranks he had risen. But all through the 1920s he was being marginalised

⁴⁰ Farago *op. cit.*, p. 394; Document nos. 0282–90.

⁴¹ See Lewin *op. cit.*

⁴² See especially Barbara Tuchman, *The Zimmermann Telegram* (London: Constable, 1958).

⁴³ Farago *op. cit.*, pp. 41–96.

by the better placed Friedman and Safford. Safford's anonymous recruit, 'Miss Aggie' solved the Japanese naval code in 1926, giving cryptanalysis the respect in naval circles it lacked at the State Department⁴⁴. Their joint achievement outshone the work of the Black Chamber after 1926. The names of Safford and Friedman are conspicuously absent from the pages of *ABC*, but by July 1929 Friedman had persuaded Major Albright, Yardley's boss, to recommend that the Black Chamber be taken out of G2 and its functions transferred to the Signals Corps, under Friedman himself—in October of that year. For the past eight years Yardley had been out on a limb. Now he was out in the cold.

CHAPTER THREE JAPANESE DIPLOMATIC SECRETS

There are many reasons why an examination of the text of 'JDS' may be thought to be overdue.⁴⁵ Its existence has been known about since 1932 when rumours about it in Washington alerted the authorities, who first impounded the typescript and subsequently banned it by law⁴⁶. Yardley himself was dismissive about it as it was unlikely to make money. The editor at Bobbs Merrill, to whom it was first offered, noted that it made extensive use of Japanese diplomatic intercepts obtained during the Washington Conference.⁴⁷ It is mentioned in all published accounts of Yardley's life.

Historians of secret intelligence have concentrated on his claim that the Black Chamber in 1921–2 materially affected the outcome of the conference. But diplomatic historians familiar with accounts of the negotiations may have other reasons for examining Yardley's typescript. The question whether he really wrote it arises. And why, and when. While the literature on the conference is already voluminous, including the memoirs of American, British and Japanese participants, a new and substantial unpublished volume containing primary source material suggests rich pickings for students of American and Japanese foreign policy.⁴⁸

⁴⁴Farago *op. cit.*, pp. 46.

⁴⁵'Japanese Diplomatic Secrets'. Unpublished typescript.

⁴⁶J. Bamford, p. 42; D. Kahn, p. 364.

⁴⁷J. Bamford, pp. 42–4.

⁴⁸Charles Evans Hughes wrote autobiographical notes. They were later collated, edited and published. There is no mention of Yardley but they include the period of the Washington Conference. Ichihashi, secretary to Baron Kato published his memoir of the conference in America in 1928. Yardley drew on it in 'JDS'. Arthur Lee first lord of the Admiralty and Britain's chief naval delegate, later Viscount Lee of Fareham, sent home his impressions of the conference, later gathered and edited by Alan Clark and published in a limited edition (*A Good Innings* [London: John Murray, 1974]). Arthur Balfour's contributions to the conference are detailed in his biography, as are those of Kijuro Shidehara in his (*Toyko*, 1955).

The question of authorship arises immediately because the title page bears an attribution to Marie Stewart Klooz, and because the preface refers to Yardley in the third person.⁴⁹ I believe this attribution is part of a deliberate fraud, but no mere red herring. On the contrary it illustrates the depths of trouble Yardley knew himself to be in by 1933⁵⁰. I assume that Yardley himself wrote the book, relying heavily, as his subtitle asserts, on the Japanese diplomatic intercepts his Black Chamber had acquired. But he made some use of books on the conference published before 1930, and was well read in the literature of the conference.⁵¹ It was not until 1936 that *Foreign Relations of the United States: Diplomatic Papers* included the key diplomatic communications of the conference in its 1921 and 1922 volumes, while the Japanese record only became available to non-Japanese students in 1980⁵². Yardley had access only to what had been published before 1931—aside from his special source. 'JDS' can thus be seen as a document relevant to the time it was compiled, and informative on the Japanese delegates' problems both with Washington and Tokyo.

It is written in a jaunty journalistic style which reminds us that twenty years earlier he had edited his school magazine. If its style bears many similarities to that of *ABC*, it lacks the element of special pleading which marks the latter. In his memoir he mounted a polemic on the U. S. Government's cryptological innocence, using easily breakable codes and failing to invest in secret signals intelligence after the war. He justified the publication of *ABC* by describing it as a call for American vigilance in the world of international espionage. By contrast, 'JDS' has no subtext except the correlation between the Japanese diplomatic cables and the progress of the negotiations. Here, he assumed what he set out to prove. To him, the correlation was obvious, palpable: the American successes at the conference and the provision of Japanese intercepted cablegrams were two sides of the same coin. Posterity accepted that the cables were sent, intercepted and read by the Americans—but the rest is speculation.

It is easier to answer the question what would have happened had 'JDS' been published when it was completed in 1933 and not impounded by the Justice Department. The authorities, without knowing in any detail what was in 'JDS', decided on urgent action to prevent publication, and Yardley did not hold out

⁴⁹Bamford, pp. 37–8; Kahn, pp. 364, 1040.

⁵⁰It is hardly conceivable that Yardley thought an unknown author would effectively disguise the book's provenance or that any publisher would have been fooled.

⁵¹He supplied a bibliography at the end of 'JDS'.

⁵²FRUS, 4 vols. for 1921–1922. And see also Kagima, *The Diplomacy of Japan, 1894–1922*, vol. 3 (Tokyo, 1980).

for his right to publish.⁵³ He knew (as we now know) that the Japanese Foreign Office was by then aware of the broken diplomatic codes and the use they may have been put to by the American delegation in 1921 because they had acquired this information from Yardley in 1930. But publication of 'JDS' in Japan would have further affected anti-American feeling in Tokyo, already damaged when *ABC* was published in Tokyo in 1931.⁵⁴

The historian David Kahn takes the view that the author of 'JDS' was not Yardley but Mary Stuart Klooz, whose name is on the title page, and who, if indeed she wrote the Preface attributed to her, praises Yardley for 'his famous work in the American Black Chamber'. I believe only Yardley could have been so unstinting in his self-congratulation. And only he could have familiarised himself over the years with the Tokyo-Washington and Washington-Tokyo intercepts which make up well over two-thirds of the book. Moreover, the style of the nonintercept passages is much the same as that of *ABC*, but without the reported dialogue which is a feature of the memoir and inevitably casts doubt on its authenticity. He regularly uses poker metaphors and betting metaphors. The fulsome references to himself confirm rather than weaken the case for his authorship. What Miss Klooz may have done was to type the title page (and page 837 is typed on the same typewriter), suggest alternative and racier titles, all discarded, pick up some but not all typing mistakes, query a few words and phrases, and suggest chapter breaks in two places. She missed several places where Yardley refers to himself in the first person.⁵⁵

Yardley intended to confuse the authorship issue but not for the reason Miss Klooz offers—that Yardley, who had never graduated from college, lacked the academic background needed to place the story in its historical context.⁵⁶ He may have said this, and even thought it, but his uncharacteristic desire for anonymity had a different explanation and the authorship is not to my mind in doubt. Yardley wrote it. Yardley wanted it attributed to another author not only to escape prosecution had it been published, but also to give greater credibility to his self-praise and magnify the achievements of the Black Chamber, 'the most remarkable accomplishment in the history of code and cipher work in the United States'. References to 'Major Yardley's great work there' could not convincingly have been made in the first person—a problem he had already encountered by the publication of *ABC*, and one many memoirists have to cope with.

The assumption that Yardley was the author is nonprovable but fundamental,

⁵³Bamford, p. 44.

⁵⁴But see SRH-038, p. 175.

⁵⁵See 'JDS', e. g. [National Archives' copy] pp. 943, 963.

⁵⁶See *Kahn on Codes*, p. 57.

for Yardley's reasons for attempting to conceal his authorship go to the heart of his history and character. By 1932 he had sold his country's secrets, he had published a highly suspect though successful memoir in which he had betrayed or belittled colleagues, his professional work from 1923–29 was known to have been negligible. Following his treacherous agreement with the Japanese he resigned his reserve commission and was no longer a government employee.⁵⁷ He knew he was liable to arrest, trial and imprisonment. He had lost his job, his way of life and very likely his self-confidence. This desolate picture contrasts strongly with 11 years previously when he was at the height of his powers, on terms of friendship with senior officials at the State Department, a potential authority on Japanese foreign policy, and the director of a highly praised clandestine intelligence bureau. The degeneration in confidence and morale that ensued involved a failure to produce anything of value in New York for his State Department employers in Washington, who had kept themselves fully informed of his unauthorised extracurricular activities.⁵⁸ He tried to rehabilitate himself and his bureau in 1929 but shot himself in the foot when Secretary Stimson reacted to a bravura display of code-breaking by withholding funds, not on the ground that gentlemen do not read each other's mail—which since the birth of signals intelligence has never been true—but because he was provided with a good opportunity to save money.

Yardley's rage, compounded of guilt and insecurity, led him into still more dangerous activities than those he undertook in 1930 and 1931, and culminated in the writing of 'JDS', a handbook to the entire Washington Conference, massively exploiting the cryptanalytical successes of his bureau in 1920–1 to flesh out his long-held conviction that he had personally enabled his compatriots to extend their commercial interests throughout the Far East.

He was thwarted over publication, and it was not until fifty years later, on March 2, 1979, that the typescript of 'JDS' was declassified, following a request from the historian of the National Security Agency, James Bamford⁵⁹. It had last been seen 46 years earlier when it was about to be submitted to Macmillan, Bobbs Merrill having declined to offer. The man most close to the action that followed was Thomas Dewey—later a thrice-elected governor of New York and Presidential candidate, who also tried to help rehabilitate Yardley eight years later on his return from China.⁶⁰ The head of Macmillan handed over the typescript of 'JDS' when it was submitted to his firm, and it was then impounded by the grand jury,

⁵⁷ SRH-038, items 134–137.

⁵⁸ See Friedman Collection. Also SRH-029 *passim*.

⁵⁹ Bamford, pp. 541–2.

⁶⁰ Bamford, pp. 40–44. See also SRH-039, p. 183.

to make its author the first and only American to be treated in this fashion. Yardley agreed not to pursue the issue of publication, but swift legislation was introduced nonetheless to prevent him offering another copy of the impounded typescript to another publisher or, more likely, publishing a different version with similar revelations. 'For the Protection of the Government's Records' made it a crime for any government employee to 'sell, furnish to another, publish, or offer for sale' a wide range of sensitive information. This was passed by the House on April 3, 1933, and by the Senate, after the removal of some of the savager clauses on May 8th, and signed by President Roosevelt on June 10th as Public Law 37. In its final form the new law targeted exactly what Yardley had done in 'JDS'.

It is unlikely that anyone had read the script thoroughly. At Bobbs Merrill it would not have taken many minutes to notice the wealth of intercept material. At Macmillan patriotic duty involved handing it over within days of receipt.⁶¹ It is not a proud boast but I believe I am one of the very few people to have read it page by page. And though there is little in it to surprise the research historian, it represents a footnote to an important international conference whose treaties and accords affected American foreign policy for nearly a decade. The Washington Conference was, in the words of A. J. P. Taylor, the only one that delivered binding commitments from the participants⁶². And Yardley, in one sense, was there, and claimed that his privileged access to the Japanese traffic not only helped America but changed history.

For greater clarity Yardley chose a thematic rather than a chronological approach and broke the script up into seven parts. Of these one each was devoted to the four-power Pacific treaty and the nine-power treaty, three to Far Eastern questions—Shantung, Yap and the other outstanding Sino-Japanese issues, leaving only one part for naval limitations and island fortifications, one to conference preliminaries, and a short one to 'conclusions'.⁶³

He clearly had no intention of rushing into print or skimping on research. He provided a bibliography of the pre-1930 sources for the conference, plus 60 pages devoted to verbatim transcriptions of the treaties, and a comprehensive list of delegates. This was to be an agenda-based 'story of the events leading up to and including the Washington Conference on the limitation of armaments and Pacific and Far East questions as revealed in the private diplomatic correspondence of

⁶¹See J. Bamford, pp. 42-4 and D. Kahn, *The Code-breakers*, p. 364.

⁶²A. J. P. Taylor, *English History 1914-45* (Oxford: Clarendon Press) p. 151.

⁶³The main items were naval disarmament, new agencies of warfare, China and Siberia. But the star performances were really the four-power treaty accord, the five-power naval limitations treaty, the submarine and gas warfare treaty, the nine-power open door treaty and the Chinese tariff accord. Shantung and Yap were transferred to the sideshows and Siberia was removed from the billing ('JDS' rk, p. 177).

the Japanese embassy in Washington'.⁶⁴

As to its circuitous preliminaries, historians before and since Yardley have debated the objectives of Lord Curzon in setting up the conference without being seen to be driving it. Yardley confirms that the Japanese were just as puzzled at the time.⁶⁵ The agenda setting processes have been seen by Japanese historians as a careful plan to establish 'the Washington system'⁶⁶—a shared delegatorial consensus on peacekeeping, monitoring, and the balance of trust and distrust most likely to obviate or at least postpone hostilities in the future. Yardley confirms that no one brought such a strategic conception to the conference.⁶⁷ The Far Eastern questions that were not on the original agenda were added during the conference, despite Japanese opposition.

Finally, Yardley confirms what historians have not realised until the end of World War Two brought Kijuro Shidehara out of oblivion to serve as Japan's premier under American occupation: that Shidehara's work at the conference was both the key to its success and also the seedbed of his political eclipse and disgrace in the 1930s. He had to contend not only with perfidious ex-allies like Britain anxious to renege on the Anglo-Japanese Alliance of 1905 but a hostile anti-Japanese public opinion in America, expressed through the press, and an excitable press and public in Tokyo sending contradictory signals on all the sensitive issues of the conference. His Foreign Ministry colleagues there were negotiating substantively with both China and Russia all the time the conference was in progress. For them the action was not in Washington but Manchuria, Siberia and the heartland of China. Given their preoccupations, Yardley is justified in applauding the Japanese performance at the conference.⁶⁸

It is in Part 2 that historians would have searched for the truth about how America appeared to win an important tactical victory over the Japanese on naval ratios. Unfortunately they would have looked in vain. Yardley's account of how Charles Evans Hughes won acceptance for his arbitrary 5 : 5 : 3 : 1.75 : 1.75 ratio for capital ship tonnage not only adds nothing to what is already known but fails to substantiate his own claims, in his memoir, that the American interception programme materially affected the achievement of that victory.⁶⁹ However, opinion is divided over the degree to which the American solution was in fact a defeat for Japan. Tokyo was having difficulty in sustaining public

⁶⁴JDS', prelims.

⁶⁵JDS' rekeyed version (rk), p. 122.

⁶⁶See e. g. Akira Iriye, *After Colonialism, passim*.

⁶⁷JDS' rk, p. 124.

⁶⁸JDS' rk, p. 174.

⁶⁹See ABC, pp. 199–224.

demand for a huge navy. Budgetary constraints were an overriding priority, and Yardley commented on the official attempts to wind up Japanese opinion on the subject of naval superpower ratios with detachment.⁷⁰

The conference agenda was constantly changing. Japan successfully persuaded Secretary Hughes not to participate in discussion of Far Eastern questions, all of which were sensitive to the volatile Japanese at home and little understood by Americans or Europeans—so Siberia was sliced off the agenda and many of China's problems were sidelined.⁷¹ But the control on fortifying non-Japanese islands in the North Pacific had brought delegates to a deep sense of confusion about what exactly comprised 'Japan proper', and the discussions at this point reveal a degree of misunderstanding by the West of Japan's basic needs that is confirmed by Yardley and disregarded by western historians.⁷² When he commented that the day of reckoning would come 'when Japan will hold the big stick', he had a clearer picture of the future than contemporary historians, most of whom have charted Japan's course to war only with the benefit of hindsight.⁷³

Naval ratio bargaining remained on the agenda, obscuring other important factors including military build-up. Land force ratios were of crucial importance both to France and Italy, but of no concern to Japan, so the Japanese were happy to let France carry the day for them⁷⁴. Major General Kunishige Tanaka, the army's chief delegate, was likewise sceptical about limiting the use of poison gases⁷⁵. Tanaka's robust and militaristic foreign policy, expressed in 1921, was later discredited and only adopted by Japan in the early 1930s. Yardley drew an instructive picture of emergent Japanese militarism, and reminded his few readers not only of the threat to world peace posed by a boxed-in Japan but of the possibility that local wars were still on the horizon: in the case of a Japanese-American war, Great Britain would join in, and in the case of British-American war over Ireland, Japan would join in⁷⁶.

If Japanese-American relations were high on the agenda, British-Japanese relations were an important subtext too. The nonrenewal of the alliance earlier in 1921 has been interpreted variously by Japanese and Western diplomatic historians, but Yardley provided evidence that the first suggestion for a conference was made when Curzon summoned Ambassador Hayashi in London so that he could

⁷⁰JDS' rk, p. 224.

⁷¹JDS' rk, p. 350.

⁷²JDS' rk, pp. 547, 578.

⁷³JDS' rk, p. 375.

⁷⁴JDS' rk, p. 470.

⁷⁵JDS' rk, pp. 407, 409.

⁷⁶JDS' rk, p. 460.

explain that the British Law Lords' decision on the legality of its continuance under the terms of the League of Nations decision had been overruled by him⁷⁷.

When Yardley turns, in Part 3, to the four-power treaty, there is little to add to what historians have since said, but he can claim to have added significantly to the record prior to the compilation of 'JDS'. By his selective use of relevant intercepts Yardley gave substance to the view that Japan's fear of being excluded from the international community dominated the tactics of their delegates. His commentary emphasises this.

He was, of course, reporting in 1932 on a 1921 situation and enjoyed the benefit of hindsight. In 1921 unofficial sources had been as close to informed Japanese opinion as Yardley himself, but in 1933 he was playing two roles—secret intelligence agent of 1921 and present-day commentator. This makes his later comments on the four-power treaty of little significance, and he contents himself with awarding points for debating skill, or poker playing, rather than attempting an analysis of why Britain opted for America's favour rather than Japan's and why America diluted the proposed three-power treaty by the inclusion of the clamorous but impotent France—matters which have now been finally put into perspective by diplomatic historians of the postwar era.⁷⁸

He reckoned the Japanese were on balance the victors, and was impressed by their perception that every power except America was trying for complete jurisdiction in China by a method similar to that 'in which at the end of the Napoleonic wars each country took a slice of Poland'⁷⁹.

Japanese historians have been more concerned with the Far Eastern questions raised at—though not settled by—the Washington Conference. Given Yardley's diplomatic sources, it is not surprising that most of the rest of his book is devoted to these. While he was writing, the Japanese were invading Manchuria, despite the admission at the conference that it was part of China. The intervening decade had seen many changes in North Asia. The Yokohama earthquake of 1923 moved world sympathy, but Japan had taken back some of the territories renounced under the terms of the treaties, rebuilt her navy, toughed out the Depression more effectively than the West, made temporary accommodation with the Soviet Union and provoked China to a semblance of unity under Chiang Kai-shek. This might seem an inevitable agenda given the pressure on Japanese living space and with activists now in control in Tokyo, but Yardley's perception of the Japanese mind in an international context could have been helpful to America in 1922 had it been sought: by 1932 it was too late.

⁷⁷'JDS' rk, pp. 470–472.

⁷⁸See e. g. Roskill, *Naval Policy Between the Wars, 1919–1929*, vol. 1, pp. 300ff.

⁷⁹'JDS' rk, p. 637.

Although Yardley's sympathies were with the Japanese, he had perceptive comments to make about the Chinese delegation and noted the difference in diplomatic exchanges between the two when Western representatives were present, and when they were on their own—when the diplomatic masks were dropped, insults were traded and a different language—the language of historic antagonism—took over⁸⁰. Europeanisation was still skin-deep for both Asiatic powers. Yardley brings a contemporary American perception to what was going on in the Far East. While European historians have in the main concentrated on the naval ratios and disarmament, Japanese historians were deeply involved in the implications of overcrowding in the homeland, of the growing presences of the imperial powers on all sides of her, of white superiority and of Japanese superiority to China.⁸¹

As a self-taught expert on Japanese foreign policy, Yardley was quick and correct to identify in Shidehara the advocate of international, cosmopolitan, peace-seeking commercial competition, while his opponent Tanaka stood for a more narrowly nationalist approach which eventually led Japan to war in 1941. In 1921 Tanaka found himself constrained not only by the British-American coalition but by his appeasing and apologetic Japanese colleagues in Washington. Both he and Shidehara used the Foreign Ministry in Tokyo as a convenient screen to hide behind when pressed to agree to the unacceptable. But Tanaka was probably closer to the heart of the Japanese people and his role was as important strategically to the Japanese as Shidehara's was tactically.⁸²

For Japan the main enemy was neighbouring China. This emerges clearly from the pages of 'JDS'. Their mutual incompatibility was reflected in their total ignorance of each others' language, which made diplomacy almost impossible. Over China Tanaka and Shidehara were in agreement, and their policy divergence reflected the different balances each man put on Japanese nationalism versus internationalism. Both these matters might have been given more attention, both at the time and in 1931, had America and Britain been less preoccupied with their own economic problems.⁸³

Yardley's Claims on YAP

It was the small and rocky island of Yap some 1700 miles south of Japan and 500 southwest of Guam that proved the most difficult pill for Japan to swallow, and

⁸⁰'JDS' rk, pp. 340, 798, 945.

⁸¹See also K. Kawakama, *Japan in China* (London: Murray, 1938).

⁸²See Roger Dingman, *Power in the Pacific*, p. 218.

⁸³'JDS' rk, p. 1234.

Yardley was in no doubt that he was giving Hughes top-quality secret intelligence to enable American commercial interests to prevail against Japanese legalities⁸⁴. When he learnt from an intercept that Japan would cede to America all rights in the Yap-Guam cable line he knew he had a strong hand to offer his fellow Americans. And at this point the evidence is that they took it and played it without scruple.⁸⁶ Their increasingly truculent demands for cable and wireless rights, their requests for internationalisation, their refusal to accept the status quo, can all be explained by their special knowledge of Japanese flexibility gained from Yardley's bureau.

Prior to the Washington Conference, though little noticed by historians, was a Communications Conference, attended by America, Japan, Britain, France and the Netherlands. On the agenda was international cable and wireless administration and in particular access to the cable systems which emerged from the sea at Yap. The wartime allies all had residual imperial interests in the North Pacific region, or (in the case of Japan) had been granted mandates acquired by Germany in her imperialistic heyday before 1914, or were driven by commercial interests in the potentially high undeveloped markets of the Asiatic littoral and interior. The Communications Conference, after several postponements, started its deliberations in November 1920⁸⁷.

Yap had been acquired by Germany as an outpost of empire, strategically placed for cables from Europe, America, India into the Far East. Under the terms of the Treaty of Versailles these imperial responsibilities were transferred to Japan, which acquired unilateral administration rights with the proviso that the victorious allies had unrestricted rights to develop their business interests and cable requirements. Unfortunately for Japan, America had not ratified the treaty and refused to accept the legality of arrangements to which she had not been a party.

However, there must have been more to it than this. Without some form of interception, such as was developed by Room 40 OB and G2 in the war, there

⁸⁴Yap became frontpage news (Sprout *op cit* p. 96). War in the Pacific was a real possibility throughout 1920-21, widely predicted by journalists and commentators.⁸⁵

It is surprising that the Sprouts were unaware of the Communications Conference in which Yap became the main agenda item. They simply note (p. 274) that in the treaty (concluded outside the conference and never in fact ratified) the United States recognized Japan's Pacific mandate in return for cable rights on Yap. This ignorance is the more puzzling since they were fully briefed by Charles Evans Hughes who certainly knew about it: (p. xii): 'We are particularly indebted to Mr. Hughes who read our entire manuscript and offered invaluable criticism, *together with additional information nowhere else available*' (italics added.)

⁸⁶'JDS' [NA copy], p. 874: 'Japan wished eagerly to control that part of the Yap-Guam cable in the channel of Tomil bay where they [*sic*] emerged from the sea. She knew she had slim opportunity of getting this wish, for every nation was suspicious of message supervision'.

⁸⁷See L. B. Tribolet *op. cit.* (Baltimore, 1929), FRUS 1920, vol. 1, p. 125. Extracts from 'communications conference cablegrams occur in 'JDS' [NA copy], pp. 833, 873, 891, 878 and 962.

could be no useful signals intelligence in peacetime. The allies could enjoy cable security for traffic with their Asian markets, but the country that controlled the administration of the island where the cables converged had an implicit *droit de seigneur*—Japan could monitor the traffic of America, Britain, France and the Netherlands.

That was the situation in 1921, and that was where Yardley came in. For America was not a member of the League of Nations, and thus did not feel bound to recognise Japanese rights to Yap. Pressed by the business interests associated with the American policy of hard dollar diplomacy, and aided by the Black Chamber's consistent information that Japan wished at almost all costs to have the Yap affair settled before the Washington Conference—and prepared to make major sacrifices to achieve this—Charles Evans Hughes walked all over the hapless Japanese delegation to achieve a major American commercial victory in the Central Pacific, well before more newsworthy items like naval ratios even reached the main conference agenda⁸⁸. The Peace Conference in 1919 gave the islands and the cables to all five allies. Japan was given Class C Mandates to 'certain islands in the North Pacific' on April 22, 1919. But already the question of internationalising Yap was being raised, despite legitimate Japanese objections. Yap had been mandated to Japan on May 7, 1919, definitively in the view of Britain and France as well as of Japan, but America's new determination not to be disadvantaged commercially by her wartime allies weakened the status of the League's decision-making and allied support of Japan, and thus Japan's rights over Yap. Japanese public opinion attached great importance to ownership of Yap, and took comfort from a confirmation of her rights by the Council of the League of Nations on December 17, 1920.⁸⁹ However, by early 1921 Japan had already noticed a weakening of Franco-British solidarity with Japan on Yap. The wartime allies 'are now yielding to America'.⁹⁰

From now on America rode roughshod over Japanese sensibilities, League of Nations legalities and the views of her European allies, and pressed on for further indeterminate rights to ensure not only cable security but if possible administrative rights on Yap, certainly on a shared basis—even though American ownership of Guam guaranteed cable security for her own commercial needs.

The Japanese delegates fought long and hard, patiently and politely, to retain the rights they had been unequivocally granted. They found American agenda-changing not just distressing but inexplicable⁹¹. By February 28, 1921,

⁸⁸'JDS' [NA copy], p. 873.

⁸⁹'JDS' [NA copy], p. 833.

⁹⁰'JDS' [NA copy], pp. 826, 835.

⁹¹'JDS' [NA copy], p. 835.

with the Washington Conference itself beginning to loom on the horizon, the re-internationalisation of Yap was back on the international agenda despite all Japanese efforts to keep it off.

The 'Communications Conference' started in December 1920⁹². It had been necessary to hold both a communications conference and a preliminary communications conference to agree the final distribution of the Atlantic and Pacific cables acquired from the Germans after the war. Britain proposed Yap-Menado to the Netherlands, Guam-Yap to the Americans and Yap-Shanghai to Japan. 'The Powers wished to satisfy America, but Japan's legal and tactical position was almost impregnable'.⁹³ Nonetheless the President himself had objected to Japanese jurisdiction on Yap and no one was brave enough to question him.

American demands included major concessions by an unwilling and outraged France, but as the Japanese Foreign Ministry confirm to its delegates in Washington, 'since you *are of opinion that if forced by circumstances there is no objection to jurisdiction over the Yap-Guam line by the American government . . . the claims of America and Japan will not greatly conflict*'.⁹⁴

On April 5, 1921, Hughes sent notes to England, France, Italy and Japan refusing to recognise the Yap mandates, setting forth the American policy and concluding that no treaty about Yap that had been signed was legal, for no one had been authorised to give up the American interest in it.⁹⁵ Therefore to his way of thinking the mandate was invalid. These notes greatly embarrassed Ambassador Shidehara, who had been briefing the press on Japan's conciliatory attitude towards American cable rights on Yap. In May there was talk in Tokyo of sending a special mission to discuss Yap. This reflected a sharp division of Japanese opinion—some wanted the government to stand on its rights, others wished it to negotiate and bring the difficulty to an end. It had already been decided to institute civil government on the island and to transfer the cables from naval to civilian control.⁹⁶ By the end of May, Hughes told the press the Yap negotiations were going his way.⁹⁷ Shidehara noted that since the war 'The European countries have been using the cables operated by them to spy into political and especially military secrets. America herself has acquired experience by following this example'.⁹⁸ All governments were hesitantly developing their

⁹²'JDS' [LA copy], p. 904.

⁹³'JDS' [NA copy], pp. 866, 917.

⁹⁴'JDS' [NA copy], pp. 847, 870 (Yardley's italics).

⁹⁵'JDS' [NA copy], p. 866.

⁹⁶'JDS' [NA copy], p. 875.

⁹⁷'JDS' [NA copy], p. 870.

⁹⁸'JDS' [NA copy], p. 875.

peacetime cable interception facilities, for commercial as well as diplomatic reasons. While Shidehara appeared aggrieved to learn that his own communications were being monitored by the Americans in 1921, he showed himself sufficiently aware of the peacetime possibilities to realise his own traffic might not have been secure. Despite this, by June 20 he was ready to barter the Guam-Yap cable to the Americans in return for their recognition of the mandate.

But America had not finished with Yap. Hughes repudiated both the decision made at Versailles and the weak legal arguments of the outgoing Democratic administration, reneging on American's own past commitments, and leaving logic and law on the Japanese side.⁹⁹ In this disarray Ambassador Hayashi in London was instructed to seek the views of Lord Curzon.¹⁰⁰ Lord Curzon merely wrung his hands. By the end of July, Hughes had got his own way, demanding equal rights and privileges to those of the League members. Tokyo needed Hughes' signature on a document confirming Japan's mandate before the Washington Conference could get under way, but before he would sign Hughes required a duplicate of Japan's report to the League, the extension of Japanese-American treaty rights to Yap, and the free admission of American citizens, including missionaries and teachers, and shipping. Shidehara agreed to all this and more, suggesting the application of all Japanese-American treaties to Yap, and this without first consulting Tokyo¹⁰¹. By mid-September both sides were ready to sign. Only China now felt threatened by the confused status of Yap—which could be used by a potential aggressor against the Chinese mainland¹⁰². Nonetheless, the agreement covering Yap was finally signed on December 12, 1921. The Americans had gained free access with Japan for the landing and operating of cables, wireless rights using Japan's station, rights to landownership and residence for the cable company 'without censorship or supervision', the application of treaty rights, and finally a veto over any modification of mandate terms and a duplicate report on the administration.

Despite these concessions, Shidehara was formally commended in an intercept dated December 19 for his efforts to achieve agreement, but Yardley commented he had 'sweated, squirmed and struggled, arguing first with America and then with the home office to persuade them both to agree. He gave up first complete ownership, the joint ownership and operating right of the Yap-Guam cable. Next went supervision of messages, expropriation, wireless rights, unlicensed and untaxed land and property ownership for cable companies and mandate benefits.

⁹⁹'JDS' [NA copy], p. 918.

¹⁰⁰'JDS' [NA copy], p. 920.

¹⁰¹'JDS' [NA copy], p. 918.

¹⁰²'JDS' [NA copy], p. 937.

Inadvertently he blacked his own eye by the extension of treaty rights. And finally he conceded veto of mandate terms and an annual report. But he won his cherished recognition of the Japanese mandate of Yap'.¹⁰³ The words are Yardley's and bring the main text of 'JDS' to a conclusion. He assigns battle honours to Hughes, adding: 'Far be it for me to insinuate that he struck below the belt, but one might imply that he clinched doggedly in a bearish embrace until his opponent weakened and gave in. Technically and legally his form was poor—he had scarcely a leg to stand on—but his endurance and wind were sound. How he must have smiled as he played his waiting game!'¹⁰⁴

It is not clear how important was Hughes's diplomatic victory over Shidehara for American commercial interests in the North Pacific region in the 1920s: but it is impossible not to praise the way he played a poor hand, finessing an opponent weakened by the significant abuse of intercepted Japanese wireless traffic. On no one issue can the matter question be satisfactorily answered, but on the whole group of concessions which Hughes seems to have thought up on his feet in the March-June period, a strong circumstantial case can be made—as it is by Yardley in the latter chapters of 'JDS'—for suggesting that without Hughes's secret knowledge of Japanese pliability he would not have held out for so many concessions, and would have accepted less favourable terms on Yap in the cause of achieving the opportunity to push American business interests in the region.

Yardley's Claims Examined

American business interests won the day at Washington, but the victory left a scar. The Japanese did not forget their treatment at Washington. Despite the protestations of friendship amongst all the delegates, only one relationship emerged stronger—that between America and Britain. It was to save the world from three fascist tyrannies 20 years later. Yardley pinpointed the moment in the conference when Hughes and Balfour found they could drive the conference their way in a personal alliance¹⁰⁵. Balfour had the prestige, and Hughes the special knowledge of Japanese concerns to manipulate the other delegates and achieve agreements across the board. The early beginnings of Anglo-American intelligence co-operation and the Atlantic Alliance can be found in Yardley's narrative despite not revealing secret sources, and despite the naval rivalry and other political and historical factors which acted and continued the act against the very concept of a special relationship between the two countries.

¹⁰³'JDS' [NA copy], p. 963.

¹⁰⁴'JDS' [NA copy], p. 951.

¹⁰⁵'JDS' [NA copy], pp. 728, 962, 972.

As for the other major player, for a long time after 1921 Japan was widely perceived as an interesting though unpredictable addition to the community of great nations, but by 1931 war clouds were gathering: and in that context the Japanese regarded the conference as a humiliation for Japan, for which her delegates were reviled. In the West politicians seemed slow to identify the trend towards militarism. The spotlight was by then on the coming storm in Europe. Had Yardley's predictions in Japan been noticed it is conceivable that more notice would have been taken of Japan's reaction to what she felt was her betrayal in Washington and after, and determination to defend herself and to expand into Manchuria.

The Washington Conference was attended by plenipotentiaries, and the interplay of strong articulate characters is a feature of it by which Yardley in 'JDS' brings to life two leading negotiators. One is Charles Evans Hughes, the American Secretary of State, the architect of the conference with his masterly conduct of negotiations, starting with his keynote address, which despite the cable interception came as a complete surprise to all delegates except the Americans. It had been carefully prepared in consultation with the naval authorities but very few copies were mimeographed, to minimize the possibility of a breach of security. The other is Ambassador Shidehara, who went on from his post as Japanese Ambassador in Washington to become Japanese Foreign Minister, to be replaced in 1929 by the hardliner Tanaka; to be marginalised as a political force in 1931 not least by the publication of *The American Black Chamber* which brought criticism on him, and finally to be recalled to high office by General MacArthur who appointed him Japan's first postwar premier in 1945. Yardley appreciated both of their performances in Washington in 1921, but his sympathies lay less with his fellow countryman, whom he kept supplied with detailed readings of his opponents' thought processes, and more with the Japanese diplomat fighting a losing battle on two fronts, with his hands tied behind his back.

As a catalyst in American foreign policy the publication of 'JDS'—had it happened—would have been ineffective. But sixty years later historians of the interwar period would find in 'JDS' a useful footnote to American and Japanese foreign policy as well as some illuminating insights into the major and some of the minor characters in Washington in late 1921.¹⁰⁶

Any assessment of Yardley's 'JDS' must pose more questions than it answers. Yardley was quite unqualified as a historian and did not possess a university degree. Why he chose to recount the negotiations at the Washington Conference in 'JDS' we can only guess at. He did not think it would make money. He had

¹⁰⁶ E.G. Arthur Lee, later Viscount Lee of Fareham, who claimed responsibility for initiating the Conference, nearly wrecked it by proposing a total ban on submarine building, ridiculed the French delegation for sharing a mistress and deplored the endless banquets—all non-alcoholic, a great strain for a naval man.

already extracted the key decrypts for *ABC*. He may have wanted to get his own back on the State Department by recycling material which—though it actually belonged to the Japanese—had been illegally purloined from the Government. He may have wanted to impress the Japanese—but this seems very unlikely in view of their 1930 dealings with him. He may have wished to add substance to his claims in Chapter 16 of *ABC*. That would make his prime reason for compiling 'JDS' a wish to flesh out his assertion that history had been changed by his cryptanalytical triumphs in 1921. If so, it has been ineffective, and would have come several years too late, after many books on the conference had been written. Whilst historians of secret intelligence continue to use Yardley as the main source for his cryptanalytical work, diplomatic historians—whether European, American or Asiatic—mostly appear to be unaware of his name, much less of the activities of his bureau, MI8. This is because convincing explanations can be found for the Washington events of 1921 without resorting to those associated with interception and decryption now associated with the successes of Enigma and Purple.

Even if historians of the period knew of Yardley they felt him sufficiently unimportant to disregard his claims. His sources, apart from the cables which comprise two-thirds of the text, are listed in his bibliography. Given this mixture of primary source material and comparatively superficial secondary sources, most professional historians would probably have rejected the project as unviable. Published accounts of the conference tend to treat it chronologically and Yardley's decision on a thematic approach merits some attention.¹⁰⁷ It has the drawback of confusingly returning the reader a number of times to the starting point of negotiations. It has the advantage of bringing the Far Eastern questions into the prominence they deserve, having been hitherto eclipsed by the matter of the naval ratios. The thematic treatment was not the decision of a historian looking for an overall pattern, but it was the practical and effective *modus operandi* of an outsider with an axe to grind. The axe in question was to lean very heavily on the American, and to some extent the British, negotiating positions on all the issues with which they were concerned, to prove that the hidden strength of prior awareness of the Japanese position enabled the west to drive a harder bargain than they otherwise would. As I have said, Yardley, unlike a professional historian, assumes what he has to prove. The assumptions are implicit through the early sections on naval reduction and in the later ones on Yap, and come to a climax at his 'what if?' counterfactual conclusions. It is easy for a reader to answer so what? Yardley claims that cryptography altered history. But, to use

¹⁰⁷See especially Dingman, *Power in the Pacific*; Nish, *Alliance in Decline*; New, *The Troubled Encounter*; Kaufman, *Arms Control*; Kajima, *The Diplomacy of Japan*, Vol. 3.

today's phrase, he would, wouldn't he?

If he rates average as an historian, perhaps he would score better as a Japanologist—despite his failure to master the language—had his services been called upon in 1922. But by 1932 his information was out of date and his perceptions of Sino-Japanese relations had become commonplace. It is hard to find anything that would have offended or even surprised other historians of the conference or government officials had his script been published. He had compiled a thorough and workmanlike account of an important conference using special sources, but without them other historians covering the same ground were reaching broadly similar conclusions.¹⁰⁸ Moreover many of the key cablegrams were being made available in yearbooks and other works of reference: their content was known even if their interception was not.

Thus, it is difficult to make valid claims for Yardley either as a historian or a Japanologist in 1932. This leaves still intact his reputation as the father of modern American cryptology. Here the mantle fallen on the shoulders of his rival, William Friedman, and the reasons for that have less to do with the skills they both exercised over significant periods of time and more to do with their differing understanding of the obligations of security.

Success in signals intelligence management depends on more than what Yardley called 'cipher brains'. Security is all important. Almost from the start Yardley was indiscreet. Cryptanalysts in Britain and America turned against him as early as 1918, because they did not trust him.¹⁰⁹ He was not one of them. The British cryptographic establishment could not stand him. His name was synonymous with insecurity, many years before he published his memoir. This indeed only confirmed the views already formed about him. It was for this reason that when in 1921 the British were making considerable advances on Japanese codes, they did not think of sharing their results, still less their methodologies, and each side devoted some of their exiguous resources to decoding each other's traffic. Yardley's indiscretions was one reason why Anglo-American signals intelligence co-operation took so long to develop. In 1918 Yardley was perceived in Europe as a brash young thruster out for information for which he had nothing comparable to offer in return. Suspicion of him hardened after 1931 and the publication of *ABC*. Ultimately this peer condemnation destroyed him professionally, when in Ottawa in 1941 the Canadians were compelled to renege on their employment arrangements with him.

As in many professions, being good at the job is a vital ingredient for its suc-

¹⁰⁸ E. g. Sprout and Sprout, *Towards a New Order of Sea Power*, (Princeton: Princeton UP, 1940).

¹⁰⁹ See e. g. Patrick Beesly, *Room 40*, pp. 247–250. Beesly writes: 'Personalities account for a great deal in all walks of life, but in none more than in the Intelligence field'.

cessful practice, but at quite an early stage other qualities like loyalty, discretion and self-effacement become important. Good cryptanalysis depends not only on discretion but on confidence to know what and when to tell whom. These are rare qualities especially in a field where usable and important information is so difficult to assess objectively. A cryptological head, however competent, cannot perform properly without an effective reporting structure or chain of command, without understanding and knowledgeable superiors, without an ambience of mutual trust and respect—in the people and the product. Lacking it, the urge to spill the beans grows strong. The British did not succumb. Indeed they survived the starvation rations of peacetime to build a powerful cryptanalytical machine at Bletchley Park in 1940. But by 1933 Yardley had blown his reputation though he never ceased to practice in a field he had dominated when young. Throughout the 1920s he was increasingly seen as a self server, unwilling to motivate a team, greedy for money, moonlighting in real estate. These perceptions led the army to cancel their contribution to the Black Chamber and the State Department to reduce theirs. So when Stimson finally switched off the life-support system it was less out of a dislike of secret intelligence and more a conviction that the State Department had not been well served. Another cryptanalyst, Friedman, took over the functions of the Black Chamber. Yardley's department was not the signal for the cessation of signals intelligence in America. It was the beginning of a new phase.

CHAPTER FOUR YARDLEY IN AND AFTER 1931

The new and more effective phase in American secret intelligence that was inaugurated by Friedman's enhanced responsibilities—including the takeover of the Black Chamber—did not mean that his erstwhile rival Yardley was out of sight or out of mind. In 1929 he lost his job, in 1930 he betrayed his country, and in February 1931 he turned down the opportunity to work, at a greatly reduced salary, in Washington, for the Chief Signal Officer at the War Department¹¹⁰. He hated Washington. He was temperamentally unsuited to work with Friedman who had offered him continued employment which he refused. He had ruled himself out of further active service work by his deal with the Japanese, and by the arrangements he was making with Bobbs Merrill and the *Saturday Evening Post* for serial and book publication of *The American Black Chamber*.

The *Saturday Evening Post* version appeared in the issues of 4 and 18 April and 25 May. The articles are largely *verbatim* transcripts from the book version,

¹¹⁰ Handwritten undated letter—Yardley to Friedman 'About active service No—I think I've had enough'.

and have comparatively little to say about the Washington Conference, to which most of the latter chapters of his book are devoted. It was his secret work on Japanese diplomatic codes which was his great pride and the care he lavished on 'JDS' is a testimony to that pride.

By the end of the year the furore created by Friedman over Yardley's damaging accusations of American incompetence in signals intelligence during the war had blown over¹¹¹. His book was published by Mainichi Shimbu in Japan in July and in Britain later in the autumn; the *Times Literary Supplement's* reviewer commented adversely on the morals of the author in disclosing government secrets, an observation that was picked up in the *New York Times*. The State Department's spokesman denied the activities of the Black Chamber had ever taken place. In Japan criticism focussed on the American government's inability or refusal to embargo the book and Shidehara wanted to start a private lawsuit against its author but was persuaded not to. A group of deputies in the Diet demanded that the case of 'Amerikai Burakku chiemba' be investigated.

All of this put Yardley on the defensive, and he gave up the attempt at self-glorification, substituting his argument that he was heroically calling attention to America's national need for an efficient cryptological bureau in peacetime—an argument that raised some sympathy with his ex-colleague Captain John Manly, but which Friedman viewed with cynical doubt. Yardley was out, but not altogether down. In 1932 he published *Yardleygrams*¹¹², some articles in *Liberty* magazine, and two novels, *The Red Sun on Nippon* and *The Blonde Countess*, published by Longmans in New York (The second was made into a successful film in 1935 under the title *Rendezvous*).

1933 was the year of the non-publication of 'JDS'. Rumours about it had circulated in Washington the previous year when Bobbs Merrill turned it down and the head of the firm reported to the Justice Department that the script

¹¹¹Friedman collection items 5, 98, 159, 195. McGrail, Moorman, Manly, Childs, Hitt, Vogel, Woellner. Lack of space prevents a return to this signals battle of long ago, whose outcome left Friedman the victim, but only just.

¹¹²To produce *Yardleygrams* Yardley worked with a collaborator, it is not clear why. At one time it was thought Yardley required a collaborator for *The American Black Chamber* and hired Clem Koukol an AT&T engineer for the job (Louis Kruh in *Cryptologia* April 1978, vol 2, no 2, pp. 130-131.) Mr. Koukol asserted he did not in any way collaborate on the book though Yardley asked him to ghost-write a book of short spy stories. Further evidence of yardley's interest in collaborators is confirmed by Friedman in his letter to McGrail of April 13 1931, in which he said 'I know about the articles Yardley and Manly had worked out'. They were submitted to *Colliers* ... And then there is the appearance of Miss Klooz on the title page of 'Japanese Diplomatic Secrets'. I take a minimalist view of Yardley's use of collaborators, following Mr. Koukol's evidence above. After *Yardleygrams* he seems to have acquired a justifiable confidence in his own powers of narrative, dialogue, and argument. His last book, posthumously published, *The Chinese Black Chamber* shows the maturing of his style in a fast-paced, well characterised, perhaps fantasised, account of his gruesome and hilarious experiences in wartime Chungking.

made heavy use of Japanese intercepts¹¹³. On September 16, Yardley received official callers at his home in Worthington, where he was required to deliver up documents 'made and obtained by you while you were connected with the United States Government . . . in connection with the Military Intelligence activities of the War Department'. Yardley refused. But the typescript of 'JDS' was traced afterwards to the office of the Macmillan Company in New York. Steps were taken on February 16, 1933, to impound the typescript. This was duly done four days later. In charge of the operation was the Assistant U. S. Attorney General Thomas Dewey, future Presidential candidate. Yardley confronted Dewey, who warned him that trying to place 'JDS' with a publisher might involve its author in prosecution.

Yardley agreed not to proceed, but work started immediately on drafting legislation to cover the publishing of information relating to government codes. On March 27, it was introduced in the House of Representatives and passed on April 13. The President signed the Bill on June 10 as 'an Act for the Preservation of Government Records'. In the Senate debate on the Act Yardley's name came up, and he was criticised for 'violating every rule that relates to fiduciary relations'. Yardley kept his feelings to himself. He had taken to experimenting with secret inks, (a technology which turned out to be a blind alley in signals intelligence) in the course of which he lost a finger.

There is almost no documentary evidence of his activities from 1933 till 1938, when he appeared on an *Energie* Newsreel and announced he was off to Chungking for one year, to set up a cryptological bureau for the nationalist forces of General Chiang Kai-shek¹¹⁴. Descriptions of his life and work there are embedded in his *Education of a Poker Player*, published by Simon and Schuster in 1957, the year before his death. (It is still in print and is regarded by many addicted poker players as their bible). He is much more circumstantial in *The Chinese Black Chamber*.

In Chungking his full job description was 'foreign adviser in ciphers and counter-espionage for the government in Chungking'.¹¹⁵ Sino-Japanese relations were such that Yardley feared assassination, and his arrival in China depressed his spirits still further. But he soon established relations with 'the Hatchet Man', or 'No. 1', whom he described as 'Himmler to Chiang Kai-shek's Hitler'—in effect the head of the secret police. For security reasons he was known by the transparent pseudonym Herbert Osborne (his middle name being Osborn). Accounts of

¹¹³See J. Bamford, *The Puzzle Palace*, pp. 42-4; and D. Kahn, *The Codebreakers*, pp. 364-8.

¹¹⁴Friedman Collection item 160.

¹¹⁵See Yardley, *The Education of a Poker Player*, and *The Chinese Black Chamber* (Boston: Houghton Mifflin, published posthumously in 1983).

his womanizing and gambling are contained in Emily Hahn's *China to Me* and also Theodore White's *Fire in the Ashes*.

Descriptions of the lives of these American expatriates in a city under bombardment are interspersed with formal presentations of poker games. *The Education of a Poker Player* ends rather than finishes, as if Yardley's interest and strength was ebbing. An American war with Japan was now certain, and he appealed to his Chinese employers to honour their side of the bargain and help him get out¹¹⁶. He approached the American consulate for a visa and discussed taking up government service work again, preferably with the navy rather than the army, where Friedman reigned supreme. The consul reported to the State Department and continued to keep Yardley under observation, which could not have been difficult as he was by now well known to the likes of Emily Hahn and Ted White, as a foreign spy, raconteur and bon viveur.¹¹⁷

It was not till August 1940 that Yardley returned to Washington, where according to his own account he was treated as a pariah by Friedman and the whole cryptanalytical establishment—not because his treachery in 1930 was by then known, but because the events of 1931–3 had marked Yardley down as the man who had published an account of his secret work in a way which damaged America and her friends—notably Britain, now a beleaguered and lonely country at war—while helping her potential enemies, particularly Japan.¹¹⁸ In Britain by now his name was anathema and it was a British cryptanalyst who a year later ended his secret intelligence career.¹¹⁹

Back in Washington he was invited to write up his Chinese experiences by the army's head of signals intelligence, General Mauborgne. At this point a group of Canadian cryptanalytic pioneers came to Washington to ask for expert advice. Mauborgne offered them Yardley, whom they gratefully accepted. On 12 May a meeting was held in Ottawa at which Yardley defined the powers and limits of the proposed new bureau, which he saw could usefully intercept communications from the many German spies operating in the North American

¹¹⁶Letter to General Dai of May 11, 1940, Friedman Collection.

¹¹⁷Secret cables, Chungking to Secretary of State dated February 15 and 23, 1940. 'Subject your 652 anxious to leave China . . . He is anxious to cooperate with the War Department and question (*sic*) whether he can or not serve his government will strongly influence his final decision whether to stay here or leave . . . am using extreme caution in my contacts with this subject'. (Hoover Foundation, Stamford CA).

¹¹⁸Memorandum dated January 3, 1942, in the possession of David Kahn. It is datelined Ottawa, whither he returned to clear his desk after Strachey was in place there.

¹¹⁹Ronald Lewin, letter to author dated 12 December 1981 reporting a conversation with Brigadier Tiltman, British cryptological consultant at the embassy in Washington. Tiltman said that his colleague, Alastair Denniston, then operational head of GC and CS went to Ottawa on his own initiative and told the Canadians they would receive no cooperation from Bletchley Park so long as they employed Yardley.

continent.¹²⁰ In June the Yardleys settled in Ottawa and in the first months of the new bureau's existence produced successful decryption against the Vichy French and the Italians. Listening stations were to be set up on the West coast. But by November the unseen influence of Friedman had become apparent ('London and Washington squawking').¹²¹ Yardley seems not to have been aware of the recent developments of machine encipherment and the successes of Friedman's bureau against the Japanese diplomatic and naval ciphers (orange, red, purple). The world he had once bestrode had changed out of all recognition, and had left him behind, though still capable and willing to set up decryption activities for nations less advanced in the new technology.

The Canadians were helpless before such implacable antagonism. For Yardley the dashing of his hopes for a return to fulltime wartime cryptanalysis was a bitter blow. He and his wife left Ottawa 'like Napoleon's retreat from Moscow' for a humdrum job in civilian administration in Washington.¹²² After the war he published *Crows are Black Everywhere*, a novel based on his experiences in China. Some of his business ventures succeeded. In 1954 he moved to Orlando, Florida, where he played poker regularly and planned his last book, published a few months before his death in 1958. He wrote another memoir, *The Chinese Black Chamber* but decided against publication and his widow published it with her own account of Yardley in 1983.

Meanwhile the British sent as Yardley's replacement one of their ablest and most experienced cryptanalysts—Oliver Strachey—under whose leadership Canadian cryptanalysis played a significant part in the allied attack on Axis codes and ciphers.

It was hard for his ex-colleagues to be implacably anti-Yardley, apart from Friedman, and it is hard for those tracing the decline of a clever and ambitious fantasist not to dwell on his good qualities and explain away his criminal activities as the actions of a 'discarded sweetie'. On his death, sigint veterans wrote to each other more in sorrow than anger¹²³. Despite the new confirmation of his betrayal of his work to the Japanese in 1930, the editors at the *Surveillant* cannot bring themselves to malign his memory, and refer only to errors of judgment. If he seems to have lost his charm—at least so far as women were concerned—by the

¹²⁰ See Granatstein and Stafford, *Spy Wars*, pp. 29–34, and Ronald Lewin, *The American Magic*, pp. 31, 33, 36.

¹²¹ Yardley memorandum of January 3, 1942.

¹²² David Kahn, *Kahn on Codes*, p. 70.

¹²³ Friedman Collection, letter from McGrail to Friedman; obituaries in the *New York Times*, August 8, 1958 and *New York Herald Tribune*, August 9. The former concludes the article by saying: 'It was the opinion of some political columnists that had he still been in the code bureau, the attack [Pearl Harbor] might never have occurred'.

late 1930s, his witty style of living and writing has left its impact on a generation of cryptographers.

None of this excuses his criminal behaviour in 1930, or his publications in 1931, or his activities around the non-publication of 'JDS'. These effectively add up to a negation of any claims he or others might make that he was the father of modern cryptology. His technical skills were never less than impressive but his understanding of what is now called 'total quality management' was defective. He found it difficult to share his methodologies except on his own terms, and even more so to subordinate his personality to the requirements of the job.

I have concentrated on only one period in his lengthy career in secret intelligence, to try and build a picture of the Yardley who wrote 'JDS'. While this has some intriguing qualities, as do his published writings, particularly *ABC* and *The Education of a Poker Player*, it is flawed by his desire to boast, and by the moral decline which began in the late 1920s and continued at least until the Yardley Act was passed.

Cryptanalysis advanced dramatically in America while he was offstage, and Friedman's later triumphs all passed Yardley by. He is closer to being an interesting mutant in the development of cryptanalysis rather than the father of it. His personality combined high intuitive intelligence with a deep unsatisfied need for praise and glory. The latter characteristic became dominant by the end of the 1920s and by 1942 had effectively swept away the crown of cryptanalytical glory he so desperately hankered for.¹²⁴

In signals intelligence circles Yardley remains an infamous figure—representing distrust, unreliability, insecurity. But he was never a stupid or insensitive individual. He reacted to attack by nursing his bruised feelings.¹²⁵ Apart from his Chinese experience in 1938–9 and for a few months in Canada in 1941, his activities were outside the field of signals intelligence. Writing second-rate thrillers was small beer after the heights of secret diplomacy he approached in 1918–21. It is difficult to disagree with those who spoke of his tragic life. This dissertation is primarily concerned with one aspect and period of it—his writing of 'JDS'—why, when, how, what—in the light of the decline of his work in the Black Chamber. That it is not too dismal a story must be thanks to Yardley's own *élan vital*.

¹²⁴ Writing in his 1942 memorandum of the 1929 period, Yardley remarks: 'Friedman, a civilian and Jew ... then took charge of a small group of cryptographers in the Signal Corps, and ... preached a hymn of hate against me'.

¹²⁵ Friedman Collection: This is well illustrated by a handwritten document from Captain Manly reporting a conversation with Yardley who 'acted as though our personal relations were wholly unimpaired; most cordial, friendly and frank ... He admitted freely his writings were full of "hokum". He went on, "I've always lived on my wits. But in times like these, go out and try to earn a living. I started earning a living by waiting on table in Denver. When govt. put me out what did they expect—I should go back to being a waiter after I'd given up the best years of my life to the work?"

ACKNOWLEDGEMENTS

I would like to thank Dr. Rhodri Jeffrey-Jones, Reader in History at Edinburgh University, for guidance and help at all points during the preparation of this Dissertation. Thanks are also due to David Kahn for the loan of a re-keyed version of Yardley's unpublished work, 'Japanese Diplomatic Secrets' and for his perceptive comments on an earlier draft. I refer both to this and to a microfilm of the original typescript in Chapter 3.

I would also like to thank Mr. John Taylor of the National Archives for directing my attention to the existence of 'Japanese Diplomatic Secrets' whilst I was in Washington in 1991 at the OSS Conference.

Finally, thanks are due to National Archives and Records Administration (NARA) for supplying photocopies of a selection of declassified Cryptologic documents released to them on March 1, 1990 and known as Record Group (RG) 457. These contain 'A Selection of Papers pertaining to Herbert O. Yardley: 1918-1950' (SRH - 038)—a file which contains the War Department Documents which reflect the authorities' concern about Yardley's disclosures in 1931 and the administrative problems they presented. They also include SRH 029, A BRIEF HISTORY OF THE SIGNAL INTELLIGENCE SERVICE by William F. Friedman. The other source is the William and Elizebeth Friedman Papers held by the George C. Marshall Foundation (Lexington, VA 24450). These are especially valuable as a dossier built up by Friedman in 1930 and onwards essentially as evidence for the prosecution for those who suspect that much of Yardley's memoir *The American Black Chamber* is unreliable, inaccurate, claiming credit for work done by others.

The Hoover Institute provided some documentary evidence relating to Yardley in 1938-49 when he was in Chungking at the invitation of the Chinese Nationalist Government but under regular surveillance by the American Legation there (Hoover Institution Archives, Stanford CA 94305—collection title Stanley K. Hornbeck, Box number 449, folder ID 'Yardley, Herbert O).

On Japanese reactions to Yardley's publication of *The American Black Chamber* I have consulted Professors Akira Iriye of Harvard University and Professors Haitano and Haito in Japan, but documentary evidence of Japanese reactions to the Yardley revelations is listed in Ladislav Farago: *The Broken Seal: "Operation Magic and the Secret Road to Pearl Harbor* (New York: Random House 1967, pages 396-7). The original documents in the Japanese Foreign Ministry's Yardley folders contain a collection of telegrams exchanged by Foreign Minister Shidehara and Ambassador Debuchi, of June 2, 3, 5, July 30, August 10, November 3, 1931. There is also a 'draft of Answers to Hypothetical Questions in the

Diet about Yardley's *Black Chamber*' prepared by Chief of Cable Section (handwritten by Shin Sakuma) July 25, 1931 and a number of memoranda covering repercussions of the Yardley case. The concern of American diplomats in Tokyo over the publication of yardley's revelations is voiced in a secret memorandum which is reproduced at Appendix I.

The American Black Chamber was widely reviewed in America and Japan on first publication in 1931. American reviewers included W. S. Rogers in the *Saturday Review of Literature* (June 20), A. W. Porterfield in *Outlook* (July 1), Uffington Valentine in the N. Y. *Times Book Review* (June 14), and C. H. Grat-tan in *The Nation* (August 19).

APPENDIX I

re: reception of *ABC* in Toyko.

to: The Honorable the Secretary of State Washington.

I have the honor to state that the publication by the *Osaku Ikainichi* and the *Tokyo Zichi* two of the most influential newspapers in Japan, of sensational arti-cles regarding the disclosures made in Herbert O. Yardley's book, THE BLACK CHAMBER (*sic*) t has caused considerable sensation in certain quarters in Japan.

There are transmitted herewith translations of statements made by various persons, in regard to the decoding of Japan's telegrams during the 'Washington Conference', which have appeared in the Japanese press. It will be noted that Baron Ikeda, who in one of the statements hereto appended takes the authorities to task, was one of the foremost critics of the present government in the debates over the London Treaty during the past session of the Diet. He seems to lose no opportunity further to embarrass Baron Shidehara. In these statements no little criticism is made of the "breach of good faith" committed by the United States in decoding confidential telegrams, but the Japanese authorities concerned receive still stronger censure for their failure to take proper precautions to preserve the secrecy of the messages. Baron Shidehara, who was the Japanese Ambassador in Washington at the time of the Washington Conference, seems to bear the brunt of the criticism, probably because of political reasons and because of animus on account of his much criticised conciliatory foreign policy.

There are also enclosed comments which have appeared on the subject in English language newspapers.

Respectfully yours,
for the Ambassador

Edwin L. Novillo—Counselor of Embassy.

Enclosures:

1. Translation of article from *Tokyo Nichi Nichi* of July 22, 1931.
2. Clipping from *Japan Advertiser* of July 19, 1931.
3. Clipping from *Japan Chronicle* of July 19, 1931.
4. Missing
5. Clipping from *Osaka Maininchi* of July 19, 1931.
6. Clipping from *Japan Times* of July 22, 1931.
7. Clipping from *Japan Times* of July 23, 1931.

Embassy File No. 110.2
ELN/hln

Dated July 26, 1931 No. 234
(GMF item 114-5)

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Letter from Ronald Lewin to the author concerning Yardley's departure from Ottawa.

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BIOGRAPHICAL SKETCH

Robin Denniston retired from a lifetime of publishing (authors included John le Carré, Donald Maclean, Miles Copeland, Dusko Popov, David Kahn, David Irving, Ladislav Farago, Telford Taylor, F. W. Winterbotham, and Thomas Pakenham). His father, head of GC and CS from 1921 to 1942, encountered Herbert Yardley in Ottawa in 1941. His career advice to his son was short: “Do what you like; don’t do what I do.” His advice led to national service in airborne forces and to publishing. After starting with Collins Robin became managing director of Hodder and Stoughton, deputy chairman of Weidenfeld, the head of International Thomson book publishing activities, and, in 1978, academic publisher at Oxford University Press. He now serves as a minister in the Scottish Episcopal church. This article is based on a dissertation for the MSc degree at Edinburgh University.