

~~TOP SECRET~~

**JAPANESE-PORTUGUESE RELATIONS AND THE "MACAO PROBLEM"**  
(February - May, 1945)

(Short Title: PSIS 400-13)

PUBLICATION OF  
PACIFIC STRATEGIC INTELLIGENCE SECTION  
COMMANDER-IN-CHIEF UNITED STATES FLEET and CHIEF OF NAVAL OPERATIONS  
(OP-20-3-650)

23 May 1945

COPY NO. 3 OF 6

~~THIS INFORMATION MAY NOT BE REPRODUCED  
IN ANY FORM, IN WHOLE OR IN PART, WITHOUT  
AUTHORITY OF COMMANDER IN CHIEF UNITED  
STATES FLEET and CHIEF OF NAVAL OPERATIONS  
PSIS: (OP-20-3-650)~~

**DISTRIBUTION:**

COMINTCH (1) No. 1  
CINCPAC (2) " 2-3  
OP-20-3 (3) " 4-5-6

DECLASSIFIED per Sec. 3, E. O. 12958  
by Director, NSA/Chief, CSS

*MJS* \_\_\_\_\_ Date: 14 Oct 80

~~TOP SECRET~~

~~TOP SECRET ULTRA~~

JAPANESE-PORTUGUESE RELATIONS AND THE "MACAO PROBLEM"  
(February - May, 1945)

Supplementing the study on "Japanese-Portuguese Relations and the 'Timor Problem' (Short Title: PSIS 400-4), dated 23 March, 1945, this summary will reflect recent events in Macao and their effect on Japanese-Portuguese relations.

Prior to February, 1945, the chief disturbances in Japanese-Portuguese relations had come from questions arising in the island of Timor which the Japanese invaded on 19 February, 1942. Although vaguely agreeing "in principle", Japan had not, by the end of 1944, complied with Portuguese demands for the withdrawal of troops from the Portuguese half of the island of Timor, despite the fact that Timor had lost its strategic importance with American landings in the Philippines. By 1945, Portuguese interest in the Timor question was overshadowed by disturbing events in Macao.

On January 11th, a Macao newspaper published a long article on "The Future of Japan", which included the following passage "most derogatory to the Imperial Family":

"When discussing whether the Japanese Emperor should be exiled or should be drastically shorn of his powers and allowed to remain on the throne, one member recommended that instead of exiling Hirohito to China, he should be sent to join the other exiles living in London, but all

~~TOP SECRET ULTRA~~  
~~TOP SECRET ULTRA~~

~~TOP SECRET ULTRA~~  
~~TOP SECRET ULTRA~~

the other members agreed that the Japanese Emperor should not be allowed to continue to exist."

Japanese Consul Fukui immediately called on Governor General Trixeira demanding that the paper be suspended. The latter offered his sincere apology stating that the blunder was on the part of the censorship officials. He requested, "Since I assure you that there will be no recurrences of this blunder, can not the affair be settled without involving the home office?" To this Fukui replied that such a matter involving the Imperial Family was very serious and it would have to be referred to Tokyo. This difficulty ended with the apologies from the Portuguese in Lisbon and a promise that there would be no recurrence of the act.<sup>1</sup>

Five days after the "derogatory" remark was published Macao was bombed by an American aircraft. The target of the attack was the former Pan American library where gasoline was stored. Two persons were killed and three injured. The Governor General sent a request for immediate protest to the American Government, and Lisbon forwarded the demands to Washington. The Japanese expressed their sorrow for this infringement on Portuguese territory and eagerly awaited a wave of Portuguese indignation against the Americans. But the results were disappointing, for in Portugal there seemed to be a more or less general acceptance of the bombing as an

---

10 January 1945  
10 January 1945

H-163267  
H-163269



~~TOP SECRET - ULTRA~~

act of self-defense on the part of the Americans since Japan had been using Macao as a submarine base and oil storage. The Japanese Ambassador at Lisbon, Morishima, attributed the lack of public resentment against the Americans either to Allied propaganda or the undercover activities of Communists who, working to overthrow the Salazar Administration, seized this opportunity to cast doubt on the type of neutrality the present government was maintaining toward the Japanese.<sup>2</sup>

Hardly had the echoes of American bombs died away when, (on 2 February), Macao's six square miles reverberated to the shooting to death of the Japanese Consul, Fukui. Highly incensed by this assassination of "a representative of the Empire, in a neutral country and in broad daylight", the Japanese demanded that everything possible be done to safeguard the lives of their nationals and to apprehend the assassins. The Japanese Army, hot-headedly branding the Portuguese officials as a "bunch of criminals" endeavoring to "pull the wool over their eyes", wanted to occupy Macao immediately.<sup>3</sup>

The Tokyo Foreign Office managed to quiet the Army officials and ordered an investigation of the circumstances of the shooting

---

<sup>2</sup>E-167916, 24 Jan. '45; E-163800, 3 Feb. '45.

<sup>3</sup>E-167109, 21, 6 Feb.; E-168482, 47, 6 Feb.; E-168030, 0-175 7 Feb.; E-167768, 022, 10 Feb. '45.

~~TOP SECRET - ULTRA~~

~~TOP SECRET ULTRA~~

of Fukui. Uncovering evidence that Chinese agents, reported to be in the pay of Great Britain and Chungking, had spread throughout the area, the Japanese thought the crime had been suggested by the British Consul, but this was not substantiated. As the majority of the Macao police force, including the officer in charge of the investigation, was pro-British, it was thought there was small likelihood of finding the culprits. Consul Iwai, who arrived on February 12th to replace Fukui, reported that there was absolutely no personal enmity towards the latter, and the only explanation of the incident could be an attempt of enemy nations to create an estrangement between Japan and Portugal. Although the British Consul expressed his sympathy (unofficially), the Japanese were 'highly suspicious of this performance'. The Portuguese were not believed to be implicated but their police were considered a weak and inefficient lot.<sup>4</sup>

After considering the case the Tokyo Foreign Office decided that maintenance of Portuguese neutrality, already under pressure of the Anglo-Americans, was of more immediate importance than the loss of a

---

<sup>4</sup>  
E-170532,  
E-168168,  
E-171098,  
E-171384,  
E-172362,

11 February 1945  
15 February 1945  
29, 24 February 1945  
2 March 1945  
3 March 1945

-4-

~~TOP SECRET ULTRA~~  
~~TOP SECRET ULTRA~~



~~TOP SECRET ULTRA~~

Consul, and warned Japanese officials in Macao that they must keep in mind the importance of Portugal as a source of intelligence. However, as the shooting could not be ignored, a formal demand was presented to the Portuguese Government for: a formal apology; apprehension and severe punishment of the guilty; discharge of negligent Macao officials; a guarantee of maintenance of order in the future and the payment of condolence funds and doctor bills.<sup>5</sup>

The next incident occurred on the 19 February, when a Japanese Army plane made a forced landing at a race course at Macao.<sup>6</sup> The Japanese Consul rushed to the Governor General and requested that the plane be given time for repairs and then permitted to take off. Teixeira replied that it was impossible to accede to this request, that the plane would have to be dismantled and stored and the pilot placed under police supervision. The Japanese reluctantly accepted this decision, seeing no alternative course that diplomatically could be taken.<sup>7</sup>

---

\*Traffic does not reveal the Portuguese Government's action on these demands.

<sup>5</sup>H-170647, [redacted], 5 March 1945  
H-172262, [redacted], 8 March 1945

<sup>6</sup>H-170410, [redacted], 20 February 1945

<sup>7</sup>H-173190, [redacted], 15 March 1945

~~TOP SECRET ULTRA~~

~~TOP SECRET-ULTRA~~  
TOP SECRET-ULTRA

A week later, an American plane again bombed Macao,<sup>8</sup> affording the Japanese Consul opportunity to recall piously the friendliness with which Japan accepted the forced-landing decision out of respect for Portuguese neutrality, and to contrast it with the lawless American bombing. Deciding to avail himself of the occasion to sound out the Governor General about the possibility of a future change in Portuguese Foreign policy, the Consul advanced the supposition that the Anglo-Americans were exerting considerable pressure on Portugal to abandon her neutrality. The Governor General hastened to assure him that Portugal would not change in any way her fixed policy of strict neutrality; "However, if Spain should line up with the anti-Axis countries, it would create a rather difficult situation for Portugal".<sup>9</sup> The Tokyo Foreign Office, reflecting on this statement, decided that "it behooves us to be more careful than ever in our handling of these relations, the more so in that the maintenance by Portugal of neutrality towards Japan will be valuable in checking a rupture of relations with Spain".<sup>10</sup>

The month of March brought two shooting affrays to try further the relations between Japan and Portugal.<sup>11</sup> These appear to have

---

<sup>8</sup>H-168997, [redacted], 25 February 1945; H-169102, [redacted], 27 Feb. '45

<sup>9</sup>H-169745, [redacted], 26 February 1945

<sup>10</sup>H-178500, [redacted], 23 March 1945

<sup>11</sup>H-177802, [redacted], 14 March 1945

~~TOP SECRET-ULTRA~~  
TOP SECRET-ULTRA



~~TOP SECRET ULTRA~~

involved activities of Chinese and Japanese undercover agents, resulting in killings on both sides. Sawa, (head of what appears to be a Japanese Foreign Office special intelligence agency in Macao)<sup>12</sup> heatedly confronted the Macao Chief of Police, Lebe, charging inefficiency of the Portuguese police and demanding that Japanese houses be guarded by competent Japanese guards. With acceptance of the principle that there could be only one police force, the dispute was settled, it being agreed that some guards, indicated by the Japanese as not being hostile, would be allowed on the force provided they met the usual Portuguese police requirements.<sup>13</sup>

Sawa expressed to Tokyo his doubts as to the wisdom of its negative policy towards Macao, which, in his opinion, was a perfect base for future United Nation operations and was already an Allied espionage center.<sup>14</sup>

---

<sup>12</sup> H-179787, —, 21 April 1945  
H-172784, H-174368

<sup>13</sup> H-172784, |, 14 March 1945

<sup>14</sup> H-174368, —, 20 March 1945

~~TOP SECRET ULTRA~~



~~TOP SECRET ULTRA~~

Reference to Chinese Communist plans to assist the American Army landings in China was made in a report to Tokyo on April 2nd. One Liu Ping-Chang was reported to have been sent from Chinese Communist Headquarters at Yanan to consolidate Communist forces in South China in preparation for the landings. He had arrived in Macao on 19 March and had talked to the British Consul, discussing preparations for a "revolt" in Kowloon.<sup>16</sup>

In April, another shooting in Macao heightened the tension between the Portuguese Governor General and the Japanese. This time the victim was the Japanese officer-in-charge of the Macao branch of the Canton Naval Attache's office. The killing was reported to be the work of a group of Chinese.irate, Japanese Consul Iwai, refused to call on the Governor General, insisting that the latter call on him to discuss the affair. Iwai dwelt on the apparent inability of Portuguese authorities to maintain order and implied that they deliberately allowed the culprits to escape. Two days later the Japanese imposed a blockade on foodstuffs being brought into Macao. About a

---

<sup>16</sup>H-173136, #9, 16 March 1945

~~TOP SECRET ULTRA~~

~~TOP SECRET~~

week later, noting that the blockades had caused undue alarm of the populace and a sharp rise in local prices, the Japanese decided that the "Portuguese had reflected sufficiently", and lifted the ban. As a gesture of good will, the Governor General ordered the suspension for two days of two anti-Japanese newspapers.<sup>17</sup>

A third bombing of Macao by American planes was resented by the Portuguese, who felt that this was detrimental to their prestige in the Orient and to the lives of the thousands of people who had taken refuge there.

When Spain finally severed relations with Japan, the Portuguese Governor General of Macao called a press conference to announce that Portugal's policy of strict neutrality remained unchanged. The Japanese Consul hastened to announce that Japan was contemplating no change in her relations with Portugal.<sup>19</sup>

---

<sup>17</sup> DS-#1140, 9 May, 1945; E-177922, 4 April; E-179198, 11 April; E-178159, 12 April; E-178251, 14 April

<sup>19</sup> E-170344, 13 April 1945

~~TOP SECRET~~



~~TOP SECRET ULTRA~~

In mid-April, \_\_\_\_\_ the  
British Consul \_\_\_\_\_ called and gave \_\_\_\_\_ the following message received  
from the Allied Command in China:

"We are aware that the Japanese are bringing strong  
pressure to bear on the Government of Macao. Call  
on the Governor personally and tell him, so that he  
can play for time, that an Allied landing in the  
neighborhood of Macao is scheduled to take place  
this very month (April) in conjunction with land-  
ings in Indo-China and the east coast of China."

The Governor General \_\_\_\_\_ had been following this  
policy and \_\_\_\_\_ had conferred with his Chief of Police, Lobo, on  
the introduction of special security measures on the pretext of giving  
protection to the Japanese.— Lobo, meanwhile, let one of the Japan-  
ese consular officials in on a "secret" (promptly passed to Tokyo),  
to the effect that the Governor General had been instructed to go  
along with the Japanese, and to do everything possible to avoid  
friction.<sup>21</sup>

While the Governor General and Lobo waited the Allied landing,  
the populace<sup>20</sup> evidenced great interest in the American progress on

---

<sup>20</sup>DS-#1120, 19 April 1945

<sup>21</sup>H-179463, #75, 30 April 1945

<sup>20</sup>Macao's population before the war was reported as 340,000,  
of whom 4300 were Portuguese, the rest Chinese.

~~TOP SECRET-ULTRA~~

Okinawa and the heavy bombing of the cities of Japan, and were much impressed on hearing that about 1400 ships were used at Okinawa, which indicated an early defeat of Japan. To combat this attitude, the Japanese Consul rashly announced to the press that of the armada only 800 ships had survived Japanese attacks. But to his discomfiture, the Tokyo radio claimed only 13% of the American vessels.<sup>22</sup> Apparently deeming its present Consular representation in Macao inadequate, the Tokyo Foreign Office, disregarding Consul Iwai's plaintive protest that "too many cooks will spoil the broth, decided in April to appoint a Consul General to Macao, determined to keep Portugal in the dwindling list of countries not already at war with Japan.<sup>23</sup>

By May, 1945, the Portuguese and Japanese were both waiting for the next "incident" to occur in Macao. The Japanese were doggedly pursuing their policy of keeping Portugal neutral, while the Portuguese were humoring the Japanese and playing for time, hoping to stave off occupation by the Japanese military until the expected arrival of Allied forces.

As noted in a prior report (PSIS 400-4, 23 March, 1945), Portugal resented the Dutch-Australian invasion of Timor as deeply

---

<sup>22</sup> PS-41120, 19 April 1945

<sup>23</sup> H-180101, 22 April 1945



~~TOP SECRET ULTRA~~

as she did that of the Japanese. "Extremely jealous of her sovereignty, any attack on that sovereignty whether it came from the Japanese Empire or from one of the United Nations was bound to arouse her indignation". Whether or not she still holds so closely to this view after enduring more than three years of Japanese officiousness, it is undoubtedly her hope that the tide of war will pass around and not over Macao, leaving that small island free from occupation by troops of any foreign nation.

It may be worthy of note that there has been practically no Chinese agitation or sentiment, official or popular, for either immediate or eventual return of Macao to China; as against the very intense feeling regarding Hongkong. Present popular and semi-official opinion appears to be that Macao is more use to China in its present status, especially as the Portuguese have rarely been discriminatory or arrogant in Chinese-Portuguese relations. The Chinese believe Macao could eventually be regained by arbitration after the whole Asia question is settled.

~~TOP SECRET ULTRA~~