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WAR DIARY

German Naval Staff Operations Division

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PART A

VOLUME 28

December 1941

WAR DIARY OF THE GERMAN NAVAL STAFF
(Operations Division)

PART A

December 1941

Chief, Naval Staff:	Grand Admiral Raeder, Dr. h.c.
Chief of Staff, Naval Staff:	Vice Admiral Fricke
Chief, Operations Division, Naval Staff:	Captain Wagner

Volume 28

begun:	1 Dec. 1941
closed:	31 Dec. 1941

1885-1886

1885-1886

The following is a list of the names of the persons who have been
 admitted to the membership of the Society since the last meeting.
 The names are given in alphabetical order, and the date of admission
 is given in parentheses. The names of the persons who have been
 re-elected are given in italics. The names of the persons who have
 been expelled are given in bold type. The names of the persons who
 have died are given in small capitals. The names of the persons who
 have been suspended are given in all caps. The names of the persons
 who have been elected to the office of President are given in bold
 type. The names of the persons who have been elected to the office of
 Secretary are given in all caps. The names of the persons who have
 been elected to the office of Treasurer are given in all caps. The
 names of the persons who have been elected to the office of Librarian
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 elected to the office of Corresponding Secretary are given in all caps.
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 who have been elected to the office of Executive Committee are given
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 office of Finance Committee are given in all caps. The names of the
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 who have been elected to the office of Publicity Committee are given
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 office of Entertainment Committee are given in all caps. The names
 of the persons who have been elected to the office of Reception
 Committee are given in all caps. The names of the persons who have
 been elected to the office of Refreshment Committee are given in all
 caps. The names of the persons who have been elected to the office
 of Transportation Committee are given in all caps. The names of the
 persons who have been elected to the office of Signaling Committee
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 elected to the office of Signaling Committee are given in all caps.



OFFICE OF NAVAL INTELLIGENCE

Washington, D. C.

Foreword

1. The Office of Naval Intelligence has undertaken to translate important parts of the War Diary of the German Naval Staff. The present volume, entitled War Diary of the German Naval Staff, Operations Division, Part A, Volume 28, is the first one of the series to appear. Other volumes will follow shortly.
2. The War Diaries, Part A, are important because they contain a day by day summary of the information available to the German Naval Staff and the decisions reached on the basis thereof. Together with the Fuehrer Conferences on Matters Dealing with the German Navy, 1939-1945, which are in the process of being published by this office, the War Diaries should provide valuable material for the study of naval problems arising from total war. The War Diary, Part A, is also a useful index to the German Naval Archives of World War II; references may be found in the microfilm library of Naval Records and Library.
3. Due to the cost of publication, only a limited number of copies could be made; it is therefore desirable that the copies which have been distributed are made available to other offices which may be interested.

Washington, D. C.
1947

1 Dec. 1941

Items of Political Importance

Great Britain:

In a speech on the occasion of the beginning of "Navy Week", the First Lord of the Admiralty declared that Japan is close to committing a tragic error, should she choose to follow the voices of her chauvinistic militarists. Japan can expect nothing from Hitler but the same fate as Italy. Aid to Russia depends mainly upon accelerating British production in order to keep the British Armed Forces well equipped.

According to news agency reports, a state of immediate readiness has been ordered in British Malaya. An Armed Forces High Command has been created for Burma.

British-American discussions about economic consequences of the Lend-Lease Law are continuing, and are said to have led to considerable discord between the British Minister of Foreign Trade and the U.S. Ambassador. For details see Political Review No. 282.

Turkey:

According to a DNB report from Ankara, news about the arrival of Russian warships in Turkey are to be regarded with considerable skepticism. Actually only three loaded tankers have entered the Bosphorus so far. All reports about the passage and arrival of Russian warships are obviously premature.

Conference on the Situation with the Chief, Naval Staff.

I. The Chief, Naval Communications Division reports that a teletype decoding machine has fallen into enemy hands in North Africa. The loss is unimportant. The alleged bad results attained by search receivers (S-Geraete) on destroyers are being checked by special officials. Inquiries so far have indicated that the actual technical installations meet all specifications.

II. Naval Staff, Operations Division, Foreign Affairs Section reports that the Turkish Government, on account of the German protest regarding entrance and passage of Russian vessels in the Straits, has assented to procedure in accordance with regulations laid down at the Montreux conference.

III. The Armistice Commission will begin the planned conferences on military questions on 27 Dec.. First of all, the question of making French tonnage available for shipping troops and supplies to North Africa will be taken under consideration.

Situation 1 Dec. 1941I. War in Foreign Waters1. Enemy Situation:North Atlantic:

According to newspaper reports, the assignment of U.S. Naval Forces to the Atlantic has permitted the British Navy to send considerable reinforcements to the Pacific as well as to the Mediterranean. A statement of further particulars concerning the suspension of the Neutrality Act in the U.S. may be read in News Analysis No. 41, Naval Staff, Foreign Navies Branch.

According to a Reuter report from Washington, official circles there know of the existence of a secret device for long distance locating of planes and ships. This device has apparently been in use for some time. It is said to be possible to locate planes as well as naval craft on the surface and under water with this device.

2. Own Situation:

Ship "41" is informed by Radiogram 1200 about contents of a deciphered secret radio report of Admiralty to British cruiser SIDNEY and request to send position not later than 10 Dec. (see War Diary 30 Nov.).

It is unlikely, however, that the radiogram will still bring results, since there could hardly be any doubt about the Admiralty report. But it seems advisable in any case to send the message.

Reports on the Enemy Situation by Radiogram 1305, 1500 and 2048.

II. Situation West Area1. Enemy Situation:

Nothing to report.

2. Own Situation:Atlantic Coast:

Enemy daylight air activity in the La Pallice sector.
No bombing.

Channel Coast:

Battery "Hundius" and Army Coastal Battery "308" laid a barrage on enemy PT boats which had been reported by harbor defense craft at 2330. Results were not observed. On route

"Lila" skirmish between 1st Motor Minesweeper Flotilla and British PT boats.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Aerial activity normal during the day, becoming lively in the evening throughout entire North Sea area. Radio monitoring intercepts message from British vessel about sighting two PT boats in the Harwich area.

Own Situation:

Unidentified targets located off Hook of Holland were fired on by battery "Veneta" during enemy air attacks centered mainly on Hamburg and Emden in the night of 30 Nov.. Emden sustained damage to the extent of 30 houses destroyed and about 300 damaged. There have been no reports of major military or economic damage throughout the area. Counting the 5 planes definitely shot down during that night (see War Diary 30 Nov.), the total number of planes shot down within the command area of Admiral, North Sea Station has been brought up to 250.

2. Norway:

Z "23", Z "25", and Z "27" left Bergen northbound on 30 Nov.. U "134" and U "54" have left Kiel for Kirkenes to be at the disposal of the Commanding Admiral, Norway. U "131" has been detailed as a third ship for the northern area. Otherwise nothing to report. It is not contemplated to establish a command post on land for the Admiral, Arctic Ocean. Extension of the radio stations in Hammerfest and Vardoe, as requested by the Commanding Admiral, Norway is unnecessary since submarine escort TANGA will be at the disposition of the Admiral, Arctic Ocean as long as the Norwegian area retains its present significance. After capture of Murmansk and disruption of the Russian overland route to Archangel the existing radio stations will be sufficient for the tasks which still remain.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Enemy formation of five vessels sighted in squares 3516 AO and 3542 AO on southwest course. Finns intend to attack with surface forces and submarines. The 3rd Motor Minesweeper Flotilla took part in a short skirmish south of Jus-saroe without noteworthy results.

2. Own Situation:

Enemy air raids on the Kiel and Schleswig-Holstein area during the night of 30 Nov. resulted in negligible military and industrial damage. Three enemy planes were shot down by naval anti-aircraft artillery. See Radiogram 2345 for details. The steamer TRAUTENFELS from convoy proceeding from Oslo to Vasa has been damaged by collision near Anholt. Troops were transferred without casualties. TRAUTENFELS, which is temporarily grounded in shallow water, will dock in Copenhagen after leak has been repaired. The office of Commander, Convoy Control Station, East was deactivated on 30 Nov.. Convoy control from now on by Commander, Minesweeping Flotillas, North.

V. Merchant Shipping:

Motor ship RIO GRANDE received orders by Radiogram 1135 to proceed to Osaka instead of to Yokohama, and not to establish land contact until Naval Attache has boarded ship.

VI. Submarine Warfare1. Enemy Situation:

Radio monitoring intercepted enemy message from British vessel at 2045 from area between 7.5° and 22.5° E, in Middle to South Atlantic. American steamers received orders in the night of 30 Nov. to change their course and not to acknowledge radio signals. According to Italian report, convoy SL 92 was located approximately 250 miles northeast of the Azores on northerly course on 22 Nov.

A British plane sighted surfaced submarine off Cape Spartel at 2250. British troop transport RANDITATA (16,737 BRT) arrived at Gibraltar from the west according to Spanish report. Approximately 500 Army and Navy personnel were seen on deck. A fairly large tanker as well as a transport of 15,000 BRT, which apparently carried troops, passed Gibraltar in the afternoon proceeding eastward. According to Italian report, a convoy of approximately 25 steamers is due to leave Gibraltar within a short time.

2. Own Situation:

No contact has been reestablished with the convoy north of the Azores. For further reports on the situation see War Diary, Part B, Vol. IV.

Commanding Admiral, Submarines has been advised by Radiogram 1212 that "Gata" supply base can supply only three more submarines and cannot be used for this purpose before the night of 5 Dec. because of the full moon.

VII. Aerial Warfare1. British Isles and Vicinity:

According to our count, the enemy lost 15 planes in the night of 30 Nov.. Only 8 of these were shot down by the Navy. British news service reports loss of 19 planes. Armed reconnaissance damaged a steamer of 1,000 BRT during the day off the Shetlands and in the evening while mining the Humber estuary sank a ship of 2,000 BRT with an aerial mine, Type B. A 5,000 BRT steamer was reported damaged by an armed reconnaissance plane in the Bristol Channel.

2. Mediterranean Theater:

Attacks on convoy of 8 steamers escorted by 6 destroyers off Sollum. No report yet on results. According to reports received so far, the following number of enemy planes were destroyed in the African theater from 18 Nov. to 30 Nov.: 75 enemy planes by pursuit planes, 7 by long range fighters and 2 by bomber formations. Total: 84 enemy planes destroyed. Anti-aircraft artillery shot down 8 enemy planes, damaged 26 enemy tanks and destroyed 3 armored scout cars.

Command post of Field Marshal Kesselring carries the designation of "Commanding General, South". Headquarters in Frascati near Rome.

3. Eastern Front:

Little action on all fronts. Nothing noteworthy observed in air reconnaissance over Sevastopol. Otherwise nothing to report.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

A former Dutch submarine arrived 28 Nov. in Gibraltar from the east and is said to have unloaded 26 prisoners.

Central and Eastern Mediterranean:

From Italian radio monitoring it is learned that light British naval forces operated in two separate groups in the Central Mediterranean on 30 Nov.. The first group, consisting of AURORA and PENELOPE, most likely returned to Malta in the afternoon. The second group, consisting of ARETHUSA and GALATHEA, probably sank the transport ADRIATICO on 1 Dec. at 0300. During 1 Dec., several British cruiser and destroyer groups operated along the entire North African coast between Tripoli and Marsa Matruh. At 0955 air reconnaissance located a cruiser and three

submarines 50 miles north of Benghazi. Benghazi reported mine-laying off the harbor by enemy naval forces at 1100. At 1420 one of these vessels asked for fighter cover. Three cruisers were 66 miles off Tripoli at 1830. See Radiogram 2115 for further details.

2. Situation Italy:

Reports about Italian naval forces scheduled to arrive at Taranto at noon 1 Dec. have not yet been received. According to radio monitoring, the hospital ship RAMB IV ran aground 60 miles off Tobruk but was able to get off with damage to the bow.

3. Transport of Supplies to North Africa:

The Afrika Korps reports by radio to the Armed Forces High Command as follows: "The local impression is that the British fleet operates entirely unhindered off the Cyrenaica coast. The area south of Tobruk has been bombarded from the sea repeatedly with shells of heavy and very heavy caliber. British naval and supply vessels arrive day and night at Tobruk harbors. Information is requested to what extent the Italian fleet is being used to combat British naval forces and what the German submarines are doing at present. In the opinion of the Panzer Group, the latter should constantly lie in wait ready for action off Tobruk. The most important and worthwhile targets should be found there."

An escort torpedo boat took aboard 111 survivors from steamer CAPO FARO. They arrived in Argostoli aboard steamer ISEO. The tanker MANTOVANI was damaged by aerial torpedo en route to Tripoli 30 Nov.. She was taken in tow by escort torpedo boat and later on was attacked again by enemy planes. No further reports received. The auxiliary vessel ADRIATICO was sunk on 1 Dec. by enemy naval forces north of Benghazi (see Enemy Situation). Steamer WACHTFELS put in at Messina because of engine trouble. Through enemy air raids on Benghazi between 28 Nov. and 30 Nov., the Italian steamer PRIARUGGIA, two tug boats, the motor tanker SPERANCA and one auxiliary sailing vessel were sunk. From 2 Dec. to 5 Dec. a transport submarine carrying gasoline and rations is to arrive in Bardia every evening. According to report from the Commanding Officer, Supplies and Transports, Italy, the following supplies have been landed for the Air Force in Derna, Benghazi and Bardia since 19 Nov.: 122 tons of fuel, 159 tons of ammunition and 50 tons of materiel.

4. Area Naval Group South:

Aegean Sea:

Departure of BARLETTA has been postponed until 2 Dec.

Black Sea:

Arrival of supply transport URLAUBSTOERN which left Burgas 30 Nov. with ZAR FERDINAND and left Constanta on 1 Dec.

with CARPATI and CARVANIA and Rumanian escort. Rumanian destroyer escort returned to Constanta because of heavy seas.

Repeated unsuccessful enemy submarine attacks on ZAR FERDINAND; it was extraordinary that they always occurred just when the course was changed.

IX. Army Situation

1. Russian Front:

Southern Army Group:

In the 1st Panzer Army sector the enemy followed the southern flank of the Army front which had been withdrawn during the night, and at daybreak immediately began attacking the rear guard, whereby our line was broken through. The Tuzlov front also had to be withdrawn due to strong enemy pressure. It is planned to deploy the 1st Panzer Army along the line Primoskoye (10 km east of Taganrog-Pokrovskoye, which is 22 km north of Taganrog)-Mius for a prolonged defense.

Central Army Group:

The 4th Army, along with the 2nd Army Corps, has started to attack toward the northeast as planned, and has gained up to 8 km. Panzer Group 4 has gained up to 10 km in continued attack to the east and southeast. Panzer Group 3 reached Khaborovo after a slow advance to the south.

Northern Army Group:

In spite of very heavy artillery fire the enemy attacked from the Neva bridgehead; attack was repulsed, however. Enemy is withdrawing forces from the Leningrad front for use south of Lake Ladoga.

2. Finnish and Norwegian Front:

Nothing to report.

3. North Africa:

In continuing the fight against units of the 2nd New Zealand Division, which have been encircled southeast of Tobruk, Bel Hamet has been taken. Diversionary attacks from the west were successfully repulsed. Since 18 Nov., 840 armored cars and scout cars have been destroyed and 127 airplanes shot down. The number of prisoners exceeds 9,000; among them are three generals.

2 Dec. 1941

Items of Political Importance

France:

Reichsmarschall Goering, Marshal Petain and Darlan met 1 Dec. near Orleans. Results of talks have not been announced so far.

Croatia:

According to a report from a diplomatic source, the insurgent movement in Bosnia is still in full swing. Large sections of the Catholic and Mohammedan population have joined the insurgents.

Turkey:

According to reports from the German Embassy, the Turkish Government considers that the Russian danger has passed. The Turkish Government counts on being requested by Germany or Great Britain to make a clear decision, but it does not believe this will happen before next spring. Turkey still hopes to be able to stay out of the war and believes this possible if Germany does not undertake operations after the occupation of the Caucasus which would endanger Turkey's independence. On the other hand, Turkey is vitally interested in the continued flow of material from Great Britain and America. She is therefore trying to avoid anything which might create the impression of her siding completely with Germany.

U.S.A.:

The Japanese envoys have made known that they are under instructions from Tokyo to continue negotiations. Tojo's announcement to the effect that Japan will oppose with all her power Anglo-Saxon predominance in East Asia has caused greatest concern in the U.S.. Kurusu and Nomura are trying to soften these remarks. In view of the delay shown by both parties at the talks, concern has arisen in U.S. diplomatic circles that the Japanese have only the intention of prolonging the conferences in order to assemble meanwhile enough forces for a southern offensive.

Argentina:

The Government has advised that prior to occupation of Dutch Guiana by the U.S. no consultation of the American Republics took place, as stipulated in the Havana resolutions. The Argentine Government approved the action subsequently, to be sure, but Buenos Aires is said to be especially upset about the fact that even Brazil gave no notice of the impending move.

Brazil:

No Brazilian troops were sent to the border as was planned in the event of occupation of Dutch Guiana.

Japan:

According to Domei, the Japanese Government has fully recognized the fundamental differences existing between the Japanese and the U.S. points of view. However, the Japanese Government is said to have resolved to continue the conferences in the interest of keeping peace in the Pacific and to invite the U.S.A. to reconsider their attitude.

Diplomatic circles report that the mood of Japanese Army and Navy contingents stationed in Indo-China is predominantly in favor of striking soon. Even in the event that it should be possible to come to a temporary agreement in Washington, it is not impossible that the Japanese High Command in Indo-China will independently give orders to advance so as finally to wreck negotiations in Washington.

It would not be the first time that the Japanese Armed Forces have made their own policy.

Conference on the Situation with the Deputy Commander in Chief, Navy.

No particular reports or decisions.

Special Items:

The Armed Forces High Command, Operations Staff, National Defense has requested the High Command, Army to investigate possibilities for later employment of railway artillery against Moscow and installations around Moscow, such as airfields. To be considered: whether to make such equipment available from other places, possibly also from the Channel coast, for the duration of the winter. The Commander in Chief, Navy and the Chief, Armed Forces, Transportation are to take part in the investigation. (See Radiogram 1440.)

Situation 2 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to U.S. Navy Department the British cruiser PHOEBE is lying in New York and the corvette CLARKIA in Mobile for repairs. According to the German Legation in Panama, a ship

will be leaving New York within the next few days bound for French Equatorial Africa. It is loaded exclusively with American engineers, technicians and experts for installing airplane bases. According to the Canadian Foreign Minister's declaration of 29 Nov., German submarines are still in vicinity of Canadian coast. According to Associated Press report of 30 Nov., the First Lord of the Admiralty declared that in the evacuation of Dunkirk 10 British destroyers were sunk and 75 were so heavily damaged that they were out of commission for a long time. According to another Associated Press report, two British submarines have sunk eight Axis ships, loaded with troops or supplies, in Arctic waters.

South Atlantic:

U.S. cruiser MEMPHIS and destroyer DAVIS arrived in Pernambuco 1 Dec.

Pacific Ocean:

18 submarines and 96 planes are reported in Hawaii. According to British broadcasts, a Japanese force of about 16 vessels, among them cruisers and carriers, is on a southerly course near the Japanese mandated islands.

2. Own Situation:

U "A" and U "68" reported on the evening of 1 Dec. that PYTHON was sunk in the South Atlantic by a British heavy cruiser. All members of the crew, including those of ship "16", have been rescued and are being towed northward by the two submarines. See Submarine Warfare for measures taken by the Naval Staff for the shipwrecked.

Reuter reported as follows about the sinking of ship "16":
 "Just before dawn on 22 Nov. a merchant ship lying to was sighted in the South Atlantic by an airplane from the DEVONSHIRE. DEVONSHIRE approached at high speed and dispatched another plane for closer observation. The plane observed a number of oil drums aboard the ship. The general appearance of the ship was reminiscent of that of a German armed raider. Answer to signals from DEVONSHIRE was not satisfactory. This further confirmed the enemy origin of the suspicious ship and consequently fire was opened. The enemy ship tried to hide behind a smoke screen but it was burning within ten minutes and the crew abandoned ship. The magazines exploded and the ship sank. The presence of a submarine was suspected and confirmed. Under these circumstances it was impossible to take aboard survivors. DEVONSHIRE suffered neither losses nor damage."

Noteworthy in this account is the fact that the auxiliary cruiser was first sighted by a plane, which testifies to the systematic patrol of the region. From that one could conclude that the encounter was not so accidental as had previously been assumed. Another thing to be seen from the report is that the presence of a submarine in the vicinity of the German ship was suspected. This too might indicate that the enemy has after all possession of some sort of authoritative information about our measures. On the other hand it is possible that these two suspicions are

entirely unfounded, since the opponent will certainly have reckoned with our supplying the submarines they located in the South Atlantic by floating bases in outlying regions.

Concerning the battle between ship "41" and SIDNEY, Reuter publishes a communique of the Australian Government which states that SIDNEY was in an engagement with an armed enemy auxiliary cruiser which was sunk by gunfire. There was "no further news from SIDNEY and it must be supposed that she is lost". The Australian Prime Minister has announced that the entire crew of the SIDNEY, 42 officers and 603 men, are missing. According to a further Reuter report, the SIDNEY was sunk by the STEIERMARK. These reports confirm the assumption that the sinking of the SIDNEY is connected with the auxiliary cruiser ship "41" (see War Diary 1 Dec.). As far as can be determined at present, the auxiliary cruiser sold her life dearly and crowned the unfortunate end of her successful career with a last success which is especially gratifying and valuable. Since reports so far received indicate that several of the crew of ship "41" have survived, we may count on further news.

Naval Staff orders that the next of kin of the crew be notified, in order to let them know about loss of the ship in an appropriate way before the fact is published or becomes generally known. At the same time immediate inquiries about the whereabouts of survivors will be instituted with the Red Cross.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reports a convoy of ten ships on northern course in St. George's Channel.

2. Own Situation:

Atlantic Coast:

No sea patrols northwest of Spain because of weather conditions.

Channel Coast:

Mine operation of 4th PT Boat Flotilla executed as planned. 1st Motor Minesweeper Flotilla had a short engagement with four British PT boats off Kwinte Bank. Hits on the enemy were observed. No damage to our ships. Bombardment of targets located off Nieuport by Army battery, without observation of results.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

According to radio monitoring, bombardment of Vardoe on 25 Nov. was carried out by the British cruiser KENYA, two British destroyers, and two Russian destroyers.

Own Situation:

The 8th Destroyer Flotilla with Z "24" and Z "26" awaits arrival in Tromsø of TANGA with Z "23", Z "25", and Z "27" in order to proceed north together with them.

The 8th PT Boat Flotilla with LUEDERITZ has left Aalesund for the north. According to report from the Commanding General, Norwegian Theater the two 21 cm Army coastal batteries in Petsamo and Kirkenes will be equipped with only two guns each. Since this is entirely insufficient for shelling targets at sea, the Commanding Admiral, Norway has urged the Naval Staff to equip them with at least three guns each (see Radiogram 1255). The Naval Staff, Quartermaster Division receives orders to settle the matter.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Minelayer "529" was sunk by a mine in the western Kolberg mine field.

Group North reports that minesweeping operations north of Dagoe could not be started yet due to weather conditions and icing of ships. Steps will be taken to substitute larger and better adapted vessels for the small motor minesweepers which are unsuitable because their spray freezes on them. (See Radiogram 1750.) Finnish reports state that two ships from the convoy sighted 1 Dec. have been sunk by coastal artillery.

V. Submarine Warfare1. Enemy Situation:

Radio monitoring reports that the British steamer MIGUEL DE LARRINAGA (5,231 BRT) was chased and shelled by a submarine 200 miles southwest of the Azores. Airplanes reported submarines west of Cape Sparte.

According to Italian reports, additional patrols for the Strait

of Gibraltar consisting of two destroyers and six gunboats are being established between Cape Spartel and Cape Trafalgar.

2. Own Situation:

Report in War Diary, Part B, Vol. V.: Commanding Admiral, Submarines receives following instructions regarding rescue of PYTHON survivors and survivors of ship "16".

1. The following alternatives are to be considered:
 - a. Transport home by German and Italian submarines sent out to meet them.
 - b. Towing to Angola by own submarines.
 - c. Towing to St. Helena.
 - d. Calling neutral or enemy ship to take them aboard.

Decision depends entirely upon supply situation. Most favorable solution is "a", but it probably cannot be achieved. Then "b" should be tried.

2. Rescue of survivors must under no circumstances lead to loss of submarine. Therefore in any case only so many survivors should be taken aboard as can be handled without impairing the submarine's diving ability.

3. Men to be taken aboard submarine for return to Germany will be chosen by commanding officer of ship "16".

4. Initiate procedures immediately. Make suggestions. (See Radiogram 2020.)

"Gata" Supply Base:

Political pressure on Spain by the enemy and related increasing difficulties in transporting additional fuel supplies force us not only to particular caution in using "Gata" but also to its limitation to the most urgent cases. Reports show that the enemy suspects that we are supplying our submarines from south Spanish harbors. Our current operations in the Gibraltar area will make him more alert. Considering this, the use of "Gata" is dangerous and unfavorable at present. There is a particularly great risk that it could be completely paralyzed.

Along with information about this situation, the Commanding Admiral, Submarines therefore receives directive that particularly Group Steuben is to try to get along without "Gata" supplies, possibly using "Bernardo" in emergency. Premature termination of current operation of this group must be reckoned with.

Refueling of submarines proceeding from Baltic Sea in western French ports is deemed advisable by Naval Staff. Use of "Gata" for these boats will thus be postponed or avoided entirely.

See Radiogram 1558 for further details.

VI. Aerial Warfare

1. British Isles and Vicinity:

Armed reconnaissance of 5th Air Force reported severe damage to steamer (3,000 BRT) near Suderoe (Faroe Islands). Otherwise nothing to report. Night action against ship targets met with no success.

2. Mediterranean Theater:

Because of existing conditions at sea, the Armed Forces High Command, Operations Staff, National Defense has ordered that the most important reinforcements for North Africa be transported in the main by air rather than by water. The Commanding General, Armed Forces, South received directions to support the battle in Cyrenaica by active combat and by air transports until the bulk of the scheduled planes arrives, to combat enemy shipping in the central Mediterranean and the enemy supply lines to Tobruk, to provide for the security of our own convoys, and to keep the British Air Force grounded at Malta. After arrival of units assigned to him, the main task of the Commanding General, Armed Forces, South will be a continuous attack on Malta and its supply routes, with the aim of eliminating this British sea and air base.

3. Eastern Front:

Operations by strong bomber and divebomber units in Rostov area. Nuisance raids on Moscow and Leningrad.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

According to unconfirmed Italian reports, a large convoy passed Gibraltar the morning of 29 Nov. with an easterly course. This might have been the announced convoy from the U.S.

Central and Eastern Mediterranean:

From reports of German and Italian air reconnaissance and from radio monitoring the following can be determined: A convoy of eight steamers and six destroyers was located in the Bay of Sollum the evening of 1 Dec., and 3 hours later it was northeast of Tobruk. It may be assumed that it arrived in Tobruk during the night. According to a submarine report, five

cruisers and two destroyers arrived in Tobruk on 2 Dec. at 0417. These same units were again off Tobruk at 0900 on a northerly course. A steamer and two destroyers moved eastward in the same area. One hour later there were reports from a unit northeast of Sollum with designation "Local", and another unit with designation "Nobad" west of Benghazi that they were under a bomb attack by enemy aircraft. In the eastern Mediterranean heavy battle forces were 45 miles north of Alexandria at about 1100. At approximately the same time two cruisers and three destroyers were in this area heading for Alexandria, while 100 miles west of that port there were four merchantmen and east of them one destroyer on west course. These various reports point out the scope and speed of the supply traffic and its escorts between Tobruk and Alexandria. According to reports of 1 Dec. from an Italian agent, a damaged heavy British cruiser has arrived in Alexandria. The date is unfortunately missing. Besides that, more submarines are said to have arrived in Malta. Extensive air and sea operations are said to be planned against our own supply traffic by way of Salonika to Libya, and against our air reinforcements by way of Crete.

Beginning at 1115, a British plane tracked two Italian destroyers 25 miles west of Crete. According to a deciphered radio message of British Admiralty, the Dutch submarine O "21" sank two schooners off the Italian coast by gunfire and ramming on a recent date. (Cf. War Diary 1 Dec., Enemy Situation, Western Mediterranean.)

2. Situation Italy:

Air raids on Benghazi and Derna during the night of 1 Dec.; no report of damage was received. A belated report tells of successful attack on British force off Tobruk by Italian torpedo planes. One destroyer of AURORA class was sunk in this attack.

3. Transport of Supplies to North Africa:

Naval Staff takes the following position to the estimate of the situation of the German Panzer Group, Africa as given by the Naval Liaison Officer to the Army High Command (see War Diary 1 Dec.):

A. a. Naval Staff of same opinion regarding operations of British naval forces.

b. Italian Fleet incapable of prevailing over even an outnumbered opponent or of gaining temporary control of the seas. Employment of light Italian forces for transport of supplies is strongly urged here.

c. German submarines, in recognition of the significance of the fight in North Africa, will do their best in the face of severe handicaps. Their main area of operations is in accord with the suggestion of the German Afrika Korps. Planned maximum number of boats in eastern Mediterranean not yet reached for technical reasons.

2 Dec. 1941

CONFIDENTIAL

B. Transmission to German Afrika Korps left to discretion. To this the Navy Liaison Officer reports to the Army High Command: The German General at Headquarters, Italian Armed Forces has already answered radiogram from German Afrika Korps today as follows:

a. All available German submarines in the eastern Mediterranean are operating along the Cyrenaican coast and farther east. Reinforcements are being brought up at an accelerated tempo.

b. Italian surface forces are being employed as far as possible for ferrying supplies and as transport escorts.

Therefore do not pass on telegram received from there.

In view of the tense situation at sea, the Armed Forces High Command has again intervened and designates by the following directives air transport as the main carrier across the Mediterranean.

The situation in North Africa demands utmost efforts to supply units of the German Armed Forces fighting there, to replenish the considerable losses and to bring up first rate reinforcements. With the present situation at sea, air traffic is the main carrier across the Mediterranean.

Compilation of requirements for all branches of the Armed Forces and allocation of priorities is the task of the German General, Headquarters, Italian Armed Forces, Rome. He will order from Germany according to transportation facilities. The High Commands will report to him what is available for shipment. (Copy to Supply and Transportation Office of the Armed Forces Overseas, and Armed Forces High Command, Operations Staff, National Defense.)

The following holds for processing these transports:

1. Transports from Germany to Italy will be processed by central Supply and Transportation Office of the Armed Forces Overseas, rail transportation in collaboration with Chief, Armed Forces, Transportation, and air transportation (in exceptional cases) in collaboration with Headquarters, Commander in Chief, Air.
2. Transports from Italy to North Africa will be processed centrally by German General at Headquarters, Italian Armed Forces, Rome. He makes allocations, in collaboration with 2nd Air Force, to either air or water transport.
3. Execution of air transports to North Africa is task of Commander in Chief, Air (2nd Air Force) who collaborates on transports from the Balkan area with the Commanding General, Armed Forces, Balkans.

(See Radiogram Armed Forces High Command, Operations Staff, National Defense, Quartermaster Supplies Division, OKW/WFST./L. I op IV Qu. 002890/41 Gkdos. in War Diary, Part C, Vol. XIV.)

While on transport duty, the Italian destroyer DA MOSTO and tank-

er MONTEVANI were sunk by enemy naval forces on 1 Dec. 65 miles northwest of Tripoli. (See War Diary 1 Dec..) Because of damage sustained from depth charge, transport submarine MITTA was forced to cut short her voyage from Benghazi to Derna on 2 Dec. and to return directly to Italy. It was possible to salvage 392 barrels of gasoline from the tanker BERBERA. Three cruisers, two destroyers and three steamers are being loaded in Taranto. Transfer of Special Command 289 from the Aegean Sea has been postponed.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

According to Italian report, a Russian destroyer has been sunk by a floating mine in the Black Sea.

Own Situation:

Nothing to report.

5. Situation Turkey:

Besides giving fantastic rumors about Germany, decoded radio reports from British Communication Officer in Istanbul of 13 and 22 Nov. tell about our intention to intensify air attacks on Egyptian bases, about air transports as compensation for increased shipping difficulties (unfortunately connection not clear), and about equipping Russian vessels when they pass by Istanbul with demolition charges to prevent capture by the enemy. (Cf. Radio Intelligence Reports 1455 and 1655.) Another deciphered radio report of a naval attache from Ankara to the Admiralty contains particulars about British-Turkish cooperation in military matters and has been made available to the Foreign Office by the Naval Staff.

VIII. Army Situation

1. Russian Front:

Southern Army Group:

No change in the Crimean situation. Movements of 1st Panzer Army for drawing back its front effected as planned. Enemy follows with strong forces.

Enemy attacks on the 17th and 6th Army sectors have been repulsed.

Central Army Group:

2nd Army on the advance. 3rd Panzer Division broke through enemy position east of Tula. Operations of 4th Army to complete encircling front were continued and therefore only small territorial gains were made in the south. At the 9th Army sector Panzer Group 3 encountered fairly strong resistance in its attacks at Dmitrov. At Kalinin we sustained considerable losses through enemy air attacks.

Northern Army Group:

Attack near Tikhvin repulsed.

2. Finnish and Norwegian Front:

Enemy measures to evacuate Hangoe are continuing. At the Karelian Army sector, attack of VII and II Army Corps against Medvezhya Gora has gained further ground. Artillery engagement between Finnish coast artillery and enemy convoy escort southeast of the Koivisto islands.

3. North Africa:

A good part of the 2nd New Zealand Division was taken prisoner southeast of Tobruk. The rest retreated behind the Trigh el Abd. Air reconnaissance impossible because of bad weather. No change in Sollum and Bardia front.

3 Dec. 1941

Items of Political Importance

Denmark:

The Danish Minister at London, Count Reventlow, made known to his Foreign Office that he can no longer accept its directives, since Denmark's joining the Anti-Comintern Pact has jeopardized the traditional Anglo-Danish relations.

Great Britain:

In a speech to the House of Commons on 2 Dec. Churchill demanded sweeping expansion of the use of manpower in the British war economy. Drafting of women should be included in these measures. For details see Political Review No. 284, Paragraph 2.

Italy:

From remarks made by Italian officers at Huntzinger's funeral, German participants concluded that a definite change in Italy's attitude regarding collaboration with France can be seen. The Italo-French questions should be cleared up and Italian territorial claims discussed. Ciano is to contact the German Government in this matter.

Rumania:

The British Government has presented Hungary and Rumania with the same ultimatum as that which Finland received.

U.S.A.:

Welles, upon express request by Roosevelt, has asked an explanation from the Japanese representatives regarding the reinforcement of Japanese forces in Indo-China. No time limit is said to have been set for answering this question, however.

Japan:

The Japanese Government and Armed Forces are still studying the U.S. note of 26 Nov.. Special difficulties are said to be caused by the fact that the note contains to a large extent the uncompromising demands of Chiang Kai Chek. Japan would regard the announced U.S. air control of the Burma Road as armed provocation. A situation similar to the one confronting the Axis Powers in the Atlantic defense zone would be created.

Situation 3 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to Spanish reports, transfer of the French Fleet from Dakar to the Mediterranean is expected at Gibraltar as result of the meeting between Goering and Petain.

South Atlantic:

According to a decoded radio message, the Commander in Chief, South Atlantic has reported radio fix on a submarine about 30° N 140° W on 17 Nov.. DRAGON and DUNEDIN stood northwest of Bathurst on 15 Nov.. Auxiliary cruiser CANTON stood north of St. Paul's Rocks on northwest course from 21 to 24 Nov.. Auxiliary cruiser ALCANTARA left Capetown on 16 Nov. and was located in the La Plata area on about 26 Nov.

Indian Ocean:

According to a decoded radio message, convoy WS 12 J, part of the convoy WS 12, which was escorted across the Atlantic by PRINCE OF WALES, was reported to be 12 miles south of the Gulf of Bengal on 26 Nov.. The GLASGOW was also there at the time. According to newspaper reports, a British naval force, including several heavy units, has arrived in Singapore. The new Commander in Chief of the British Far Eastern Fleet, Sir Tom Phillips, has placed his flag on the PRINCE OF WALES. A zone closed to navigation has been designated south of the Johore coast and east of Singapore.

Pacific Ocean:

The British Admiralty has ordered cessation of British merchant shipping in the China Sea, according to news reports. According to radio monitoring, the Siamese Naval Attache has informed the British Naval Attache in Tokyo that one Japanese battleship of 45,000 tons with nine 40.6 cm guns is being commissioned, and that a second one of this class will be ready by the end of the year. Besides this, the Siamese assumes that construction of two heavy cruisers will begin by spring 1942.

2. Own Situation:

Reuter reports to the sinking of SIDNEY and ship "41" that the German ship STEIERMARK has been known for some time as the pirate ship "41", and it sailed under the name of CORMORAN. Furthermore, data on the sinking of this auxiliary cruiser are announced. Two lifeboats with survivors of the CORMORAN have reached the city of Carnarvon in western Australia. The survivors declared that their ship scored immediate, successful hits on the SIDNEY. However, the sinking cruiser returned fire and was able to set the CORMORAN afire. A number of survivors from several lifeboats were taken aboard fishing craft and scout planes. The Commanding Officer of the CORMORAN was rescued by an Australian ship. 320 men were rescued from the CORMORAN according to latest reports.

It is the opinion of an American observer that the cruiser SID-

NEY was sunk by a heavy cruiser ("Taschenkreuzer") which accompanied the STEIERMARK on some of her raids. He thinks it doubtful that the STEIERMARK, with a speed of 18 knots, could be victorious over the SIDNEY with a speed of 33 knots.

Since the complement of ship "41" amounted to about 400 men, the high number of men rescued is most gratifying. It is not yet possible to form a clear picture of the action from reports now on hand. The circumstance that in all probability there are no survivors of the SIDNEY leads one to suppose that the cruiser went down suddenly as the result of an explosion or that she capsized immediately.

Radiogram 0543 gives locations of Swedish ships as of 28 Nov. as well as movements of American merchantmen.

II. Situation West Area

1. Enemy Situation:

At 2016 radio monitoring intercepted continuous location reports to British PT boats on movements of one of our convoys. Permission to fire was given to one of these PT boat units.

British PT boat "54" was stranded in the Portland area at noon.

2. Own Situation:

Atlantic Coast:

Fourteen Mark XIV mines, with little growth on them, were removed in the La Rochelle area by the 54th Minesweeper Flotilla.

Channel Coast:

Mine-exploding vessel "168" sank two vessels and damaged another two in an engagement with enemy PT boats off Cape Gris Nez. Patrol vessel "1809" sank one large PT boat, and another one was badly damaged by patrol vessel "1813". Our own units arrived in Boulogne as planned. We have to wait for details about this new and gratifying success of the defense forces.

According to a report by Commander, Torpedo Boats, radio monitoring seems to have confirmed success of the C mines laid at buoy "54" by the 4th PT Flotilla. Busy minesweeping could be observed along this part of the convoy route during 2 Dec.. Removal of four acoustic mines has been reported as a result of this activity, so that we can be sure that the opponent is able to sweep our aerial mine Type B with Fab XI. (See Radiogram 1605.)

III. Situation North Sea, Norway, Arctic Ocean1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

According to a new survey of the Finnish Hydrographic Office, transmitted by the Army High Command, Norway through the Armed Forces High Command, shipping in the White Sea needs assistance of icebreakers beginning the middle of December. Usually it is possible to keep this sea route open throughout January by using medium-sized icebreakers. Peacetime experience has shown that all shipping is impossible during February, March, and the beginning of April. Starting the middle of April, shipping may be possible with the aid of heavy icebreakers. In May the ice disappears from the middle of the White Sea. However, drift ice may still be heavy enough with south and northeast winds to interrupt shipping and even to stop heavy icebreakers. Report to Group North, Admiral Arctic Ocean, Commanding Admiral, Norway by Radiogram 1933.

Own Situation:

Two torpedo misses on convoy north of Hammerfest at 1230. Surfaced enemy submarine was pursued by submarine chasers. Submarine chaser UJ "1708" was sunk by a torpedo during the chase, which apparently came from a second enemy submarine. Hits of our own on the pursued submarine are assumed although clear observation was not possible.

The steamer NORDLICHT, loaded with Christmas gifts for the troops in northern Norway, was attacked by an enemy plane near Feistein and received a bomb hit. The ship reached Stavanger under her own power and is being kept afloat by pump steamers. No loss of personnel.

Two fishing cutters were shelled by an undetermined enemy east of Vadsoe and one of them set afire. Entrance to Kvaenangen Fjord has been closed because of mine danger.

Submarines U "454", U "134", and U "130" left Kristiansand-South northbound. The 15th Minesweeper Flotilla is at Bergen, and destroyers Z "23", Z "25" and Z "27" arrived at Trondheim. Departure of the submarine U "584" from Bergen was postponed for ten days because the Commanding Officer is sick.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea1. Enemy Situation:

According to radio monitoring, submarine S "9" received

orders to put into Hogland. A Finnish report states that a group of six vessels was shelled by Finnish heavy artillery in quadrant 3526 A0. A second group of three ships was located in quadrant 3525 A0 on an easterly course. A transport, most likely the MOLOTOV, struck a mine in the Korbetha field. About fifty detonations were observed on Odensholm during the night of 2 Dec., apparently caused by destroying ammunition and blasting the lighthouse; it can be assumed that Odensholm is being evacuated. An 800 ton Russian freighter was sunk southeast of Kallbaadagrund by artillery fire.

2. Own Situation:

The Russian transport STALIN (12,000 BRT) was driven aground off the west point of Reval Bay. Her bow was severely damaged. Officers and women were taken aboard patrol boats "313" and "314". The steamer was boarded by Naval Artillery Unit 636. According to first reports, 6,000 soldiers of all ranks from Hangoe were aboard. The ship supposedly received three mine hits.

Hangoe and Russaroe have been occupied by the Finns.

Substitute convoy from Stettin to Vasa, consisting of three steamers with 2,228 men and 235 vehicles, departed on 2 Dec.. Nothing to report from the western Baltic and the Baltic Sea entrances.

V. Submarine Warfare

1. Enemy Situation:

A British cruiser patrolled the Denmark Strait on 30 Nov.. On 3 Dec. radio monitoring located one British vessel about 250 miles southwest of Rockall Bank and another one 400 miles west of Vigo. Names and locations, probably reference points, were intercepted from Newfoundland. According to Italian reports, the vicinity of the coast of Iceland is being patrolled by naval vessels to assist the trawlers there. A northern (White Patrol) and a southern (Black Patrol) zone have been established. The center line of the Black Patrol runs from about 63° 30' North 15° 15' West on 250°. According to another Italian report, steps were taken on 24 Nov. to accelerate sending more British submarines from home to the Mediterranean. UP "35" is supposed to leave the Rosyth area on 6 Dec.. Another U-boat from the Orkney area should arrive in Gibraltar on 12 Dec.. In the Strait of Gibraltar during 2 Dec. there was heavy traffic of destroyers and gunboats on patrol under air cover. According to a Spanish report, the cable ship MIRROR has been installing sound detecting equipment at Punta de Europa since 29 Nov.

2. Own Situation:

Our own submarines have confirmed the heavy patrolling of the Strait of Gibraltar. U-boats operating in the South report sinking of the American steamer SAGADAHOC (6,275 BRT) which was en route from New York to Durban with lights dimmed and with-

out proper markings. Commanding Admiral, Submarines reports that submarines U "124" and U "129" have been sent to meet U "A" in order to rescue the crews of the PYTHON and ship "16". They are to take the survivors aboard and return home as fast as possible. The submarines must be able to submerge at any time. Plans have been made to send additional (Italian) submarines to assist in rescue operations. Three submarines located in the operational area and three scheduled to put to sea on 8 Dec. are being considered.

For further reports on the situation see War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

An enemy cruiser of the AURORA class, which was sunk on 1 Dec., received almost simultaneous hits from three Italian torpedo planes and sank within 2 minutes.

3. Eastern Front:

Nothing to report.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

According to Reuter, the Australian Prime Minister has announced the sinking of the destroyer PARRAMATA (1,060 tons) which had been serving as convoy escort. 141 officers and men are missing. The destroyer had last been identified in the Mediterranean during May 1941.

Central and Eastern Mediterranean:

Activity by the Mediterranean Fleet and radio traffic in the eastern Mediterranean was lighter than in previous days. A convoy moving toward Tobruk and light defense units were reported off the Marmarica coast by German and Italian air reconnaissance. A submarine was sighted north of Benghazi.

2. Situation Italy:

Nothing to report.

3. Transport of Supplies to North Africa:

The scheduled reinforcement movements have been executed without interference. Report about the 49th and 50th Squadrons leaving Tripoli not yet received.

4. Area Naval Group South:Aegean Sea:Enemy Situation:

Air reconnaissance sighted an unidentified freighter in Turkish territorial waters at the outlet of the Dardanelles. She flew a red flag; no crescent moon could be discerned. Italian PT boats attacked an icebreaker at Castelrosso. She flew a faded Turkish flag and had a faint Turkish emblem on her gunwale.

Own Situation:

The auxiliary naval vessel BARLETTA and three PT boats have postponed departure again because of weather conditions.

Black Sea:Enemy Situation:

According to an Italian report from a reliable source, the Russian steamer SAKHALIN and icebreaker NIKOLION left the Bosphorus the afternoon of 2 Dec. in the direction of the Aegean Sea.

Own Situation:

During the afternoon of 2 Dec. underwater detonations sank the steamers CAVARNA and CORDELIA from the supply convoy Urlaubstoern 7 miles south of Burgas. The steamer ZAR FERDINAND turned back and arrived at Sulina. The steamer CARPATI continued her voyage and arrived at Ochakov North. Communications were disrupted before more information could be obtained.

VIII. Army Situation1. Russian Front:Southern Army Group:

The situation in the Crimea remains unchanged. The enemy advanced cautiously toward positions of the 1st Panzer Army which had been withdrawn, and attacked on several sectors with tank and plane support. The attacks were repulsed. At the 17th and 6th Army sectors enemy attacks on several positions also were repulsed.

Central Army Group:

Operations of the 2nd Army and 2nd Panzer Army are continuing successfully. Enemy attempts to break out of the encirclement were repulsed. Situation at the 4th and 9th Armies has not undergone noteworthy changes.

Northern Army Group:

At 16th Army sector, parts of X Army Corps have gained ground against pillbox positions and heavily mined terrain. North of Lake Ilmen the enemy attacked the position of the 250th Spanish Division at Novgorod after heavy artillery preparation. Enemy attacks on Tikhvin from the north and northwest were repulsed. Enemy transport of reinforcements from Leningrad across the ice to the sector west of Volkhovstroy was continued. Attacks from Leningrad with tank and plane support collapsed under the fire of the 1st Infantry Division. 16th Army has taken more than 50,000 prisoners from 16 Nov. to 30 Nov.

2. Finnish and Norwegian Front:

Nothing to report.

3. North Africa:

The enemy stopped retreating and remained south of Trigh el Abd. Rather strong enemy forces were brought into action north of there to create a diversion. A renewed attack from this area is expected. A Panzer Group, with the German Afrika Korps and the Italian XXI Army, continued mopping-up operations in the area southeast of Tobruk. The Gambarara Corps was deployed along Trigh Capuzzo, ready to throw off an attack from the south.

4 Dec. 1941

Items of Political Importance

India:

The government has set free members of the Congress Party who had been imprisoned for civil disobedience, among them the well-known leaders of the Indian independence movement, Nehru and Azad.

Turkey:

On 2 Dec. three Russian tankers unloaded 27,000 tons of gasoline at Istanbul, bought in accord with recently concluded trade agreements. The tankers will return to Batum for additional loads.

Afghanistan:

The British and Russian governments have demanded permission to use the road from India over Afghanistan to Russia for Anglo-Russian traffic.

U.S.A.:

Public opinion, changeable as is usual in times of crisis, is at present taking a slight turn for the better. Japanese circles profess to know that British influence in Washington tends to have a moderating effect.

It was announced in Washington that Turkey will receive aid under Lend-Lease, since according to Roosevelt's declaration the defense of Turkey is vital to the protection of the United States. The Turkish attitude is not yet known.

The responsible committee in the House of Representatives passed a new appropriation of 8 billion dollars, so that now a total of 68 billion dollars has been appropriated since 1 July 1940. The House of Representatives passed a resolution giving the government power to intervene in strikes in essential industries. According to a Department of Agriculture report, agricultural products worth \$200,000,000, seven eighths of them foodstuffs, have been made available to the representative of the British government from April to September 1941.

Argentina:

The government has consented to put the entire production of wolfram ores up to 3,000 tons yearly at the disposal of the U.S.A. over a period of three years. Production schedules call for an increase from 1,250 tons in 1940 to 2,000 tons in the first year of the contract and 3,000 tons in the third year.

Australia:

Political Review No. 284 discusses internal difficulties in con-

nection with the Australian war effort overseas and the high rate of casualties among Australian troops.

Special Items:

The Duce stated on 1 Dec. to the German General at the Italian Armed Forces Headquarters, in the presence of General Cavallero, that he is confident that the battle in Marmarica will be brought to a successful conclusion. No matter what the outcome of this battle, however, he has the strongest apprehensions about the further progress of the struggle for Libya. During the last months the situation there has gotten steadily worse, so that it is almost impossible to supply the forces there with their most urgent needs. In view of this situation, the Duce does not see how he can replenish the losses of men and material incurred in the fighting or how to ship fresh troops. Neither the use of German submarines, valuable as they are, nor the arrival in Sicily of the II Air Corps could change the transportation situation sufficiently to enable us to keep up with the British in the long run. The only chance that he can see for a basic improvement in the transportation situation is in freeing Bizerte harbor. This problem is of such importance that one could make far-reaching concessions to the French for it, for instance by releasing prisoners of war. A solution must be found as quickly as possible, since we would have to have the use of Bizerte by December at the latest. In case the French should not willingly consent to our use of Bizerte, the harbor should be taken by force. This seems necessary because the only other alternative for real improvement of the transportation situation, the occupation of Malta, is not possible. The Duce explicitly asked the German General to transmit his opinions to the Chief of Staff, Armed Forces High Command. He does not believe that Libya can be held much longer nor that a flow of supplies can be maintained unless it is possible at least for supply trucks to pass through Tunisia in the immediate future.

After the conference with the Duce, General Cavallero asked the German General to emphasize in his report that the only way the difficult problem of transportation could be solved was by routing traffic through Tunisia. He added that in his opinion the Duce's idea of taking Bizerte by force, if necessary, could not be realized.

This very noteworthy contribution to the theme of collaboration has been transmitted to the Chief of Staff, Armed Forces High Command and the Commanders in Chief of the three branches of the Armed Forces by the Chief, Intelligence Division. It proves very conclusively the critical situation in which the Axis Powers now find themselves in the Mediterranean area and in North Africa, and in which they will remain for a long time to come because of the fact that the supply routes were not kept open in time and with sufficient forces by heavy attacks of the air forces at decisive points. The Naval Staff had repeatedly emphasized the vital significance of doing so. This viewpoint is not to be taken as a criticism of

decisions which have been made, since these were no doubt strongly influenced by the campaign against Russia and by other important political considerations.

Situation 4 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Destroyers ZULU and SIKH arrived in Gibraltar from England on 4 Dec.. The Portuguese freighter JOANNA was escorted to Gibraltar by British naval forces. Details about construction of a U.S. naval base in Londonderry (northern Ireland) in News Analysis No. 42 of the series "Foreign Navies" of the Naval Staff, Intelligence Division.

According to a semi-official report, construction of a U.S. naval base on the arctic island of Jan Mayen is under consideration.

South Atlantic:

Five British merchantmen headed for the Pacific and nine for the Atlantic passed through the Panama Canal between 2 Nov. and 30 Nov.. On 1 Dec. an auxiliary cruiser of 6,000 tons passed through to the east. U.S. cruiser MEMPHIS and destroyer DAVIS left Pernambuco on 3 Dec.. A convoy with troops, ammunition and tanks is expected in Freetown on 10 Dec.

Pacific Ocean:

Target practice of coastal artillery at Manila. Mines are to be laid beginning in December and the naval bases of Cavite and Olongapo will be blacked out until further notice.

According to press reports from Shanghai, an agreement has been reached for the cooperation of the British and American Far Eastern Fleets. The Americans are charged with protection of the area around the Philippines and between Manila and Hong Kong, under the Commanding Admiral of the U.S. Navy in Cavite. The light British forces stationed in Hong Kong, including the air units, will be under his command. The remaining area will be patrolled for the time being by the British naval units stationed in Singapore. In case heavy U.S. units are transferred to East Asia, this will become mainly their responsibility. Singapore will then become a joint Anglo-American base. The British Naval Commander is responsible for defending the area west of Singapore and the sea route to Australia and the Malayan waters. Dutch naval vessels remain in the defense service of the Dutch Colonies. The supreme command in case of joint Anglo-American operations was also discussed.

Among the British units which arrived in Singapore are two battleships.

2. Own Situation:

Further reports about the battle of the SIDNEY with the auxiliary cruiser CORMORAN mention that CORMORAN scored hits on SIDNEY's bridge with the first salvo, destroying the lines of communication and artillery control. The battle took place in the evening at dusk, and lasted two and a half hours. CORMORAN exploded after the crew had abandoned ship. The German survivors saw the burning SIDNEY disappear over the horizon. Nothing further was observed.

Report about enemy situation by Radiograms 1856, 1928 and 2343.

II. Situation West Area1. Enemy Situation:

Nothing to report.

2. Own Situation:Atlantic Coast:

Returning blockade runner BURGENDLAND was apparently located in Spanish waters by our air reconnaissance. She is expected on 5 Dec.. A Mark XVI mine has been swept west of Oleron along convoy route "Rosa".

Channel Coast:

Departure of ship "10" postponed for 24 hours. On a detour of route "Rosa", which is mined near Fecamp, 18 or 19 mines were also detected. The new detour is evidently free of mines.

The 4th PT Flotilla with five vessels and the 2nd PT Flotilla with two vessels laid mines along convoy routes in the evening.

Eight enemy air raids were made in November on forces of the Commanding Admiral, Defenses, West during which one minesweeper was sunk. Loss of personnel: 6 dead, 13 wounded. Five enemy planes were shot down.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

Brisk air activity observed. Location reports of our PT boats. According to radio intelligence the Convoy Control

Station at Reykjavik reported departure of convoy P 18, of which 8 units are meant for Edinburgh and 23 for Hull; it confirms the Convoy Control Stations at Aberdeen and Edinburgh as to the sinking of the units NG, MK, and MS and asked when tankers "RU" and "RO" will leave. Convoy Control Station Londonderry was notified that convoy P 4 left Reykjavik at midnight with 56 freighters. (See Radio Intelligence Report 1225.)

Own Situation:

Mine-exploding vessel "53" (ship "10") is proceeding in the area of the Commanding Admiral, Defenses, North to Flushing according to plan with the 2nd Torpedo Boat Flotilla and the 4th Minesweeper Flotilla. Otherwise nothing to report.

2. Norway:

Enemy Situation:

A submarine has been reported south of Kvaloe and another one north of Hammerfest. The submarine which was attacked by submarine chasers on 3 Dec. escaped after dark.

Own Situation:

For preliminary report by Commander, 12th Submarine Chaser Flotilla about submarine pursuit and loss of submarine chaser UJ "1708" see Radiogram 2140. Search for survivors of UJ "1708" unsuccessful. TANGA and 8th PT Boat Flotilla with the LUEDERITZ arrived in Trondheim. Admiral, Arctic Ocean arrived in Kirkenes. He will proceed to Rovaniemi and Kemi for conferences with 5th Air Fleet and Army High Command, Norway on 5 Dec.. The Norwegian steamer VESTRI (499 BRT) was set afire during an enemy air raid off Tungenes and was later beached.

Regarding convoy traffic the following directive has been issued by the Naval Staff:

1. Whenever the situation permits, fast ships equipped with anti-aircraft guns are to sail independently.
2. Since delays resulting from the transshipment regulations of the Transportation Ministry can hardly be remedied, it is especially important that all other causes for delay be avoided.
3. Possible greater risk for vessels sailing independently must be reckoned with. See Radiogram 1545 and compare War Diary 2 Dec.

The allocation of three additional submarines requested by the Commanding Admiral, Norway is rejected. The three submarines which he has already, U "134", U "454", and U "131" are replacements for the three submarines U "567", U "578", and U "757", which will not be ready for action for some time, and for U "132", which was transferred by order of the Commanding Admiral, Submarines. The Naval Staff has no objections to the proposal of the

Commanding Admiral, Norway to order one of the three U-boats to temporary duty off Bear Island.

IV. Skagerrak, Baltic Sea, Baltic Sea Entrances

1. Enemy Situation:

Besides the STALIN and a steamer of 700 BRT, a medium sized transport and a PT boat were sunk in the Juminda mine field. Odensholm raised two white flags after artillery bombardment. The White Sea Canal and the Vyg Lake are frozen over.

2. Own Situation:

There are still about 800 men aboard the STALIN, according to the Navy Liaison Officer to the Armed Forces High Command. Part of the original 6,000 men carried aboard was removed by Russian destroyers.

Since numerous explosions were observed on Seiskari, the evacuation of the islands in the inner part of the Gulf of Finland may be assumed. Occupation of Odensholm by naval shock troop is planned for 5 Dec.

Railroad transportation between Reval and Helsinki has been discontinued.

The German steamer ERICH FAULBAUM sank after a detonation off Warnemuende.

V. Merchant Shipping:

The Transportation Ministry plans to use some Belgian and Dutch steamers, especially steam trawlers, for service along the west coast of Norway. These ships will sail under Belgian or Dutch flags and will be manned exclusively by Belgian or Dutch personnel. The Transportation Ministry asks whether there are any objections to this on the part of the Naval Staff and what measures the Naval Staff considers necessary to prevent possible flight of these ships to Allied ports.

VI. Submarine Warfare

1. Enemy Situation:

At noon a British plane met a convoy northwest of Rockall Bank. A torpedo boat flying the Norwegian flag was reported southeast of Rockall Bank. According to a British Admiralty report, a British steamer of 5,369 BRT in convoy northwest of Azores was torpedoed and exploded on 29 Nov.. The British steamer CLAN MACBEAM

(5,000 BRT) reported sighting a torpedo on 3 Dec. in GF 6110.

2. Own Situation:

A submarine reported sinking an ore steamer. Another submarine reported sinking the steamer FJORD (4,032 BRT), survivors of which were landed at Gibraltar on 3 Dec.

Commanding Admiral, Submarines received orders from the Naval Staff on 2 Dec. to send four more submarines to eastern Mediterranean area immediately at the expense of a temporary weakening of the position west of Gibraltar.

With reference to employing submarines to prevent Russian ships from leaving the Turkish Straits (see War Diary 29 Nov., Black Sea, Own Situation), Commander, Submarines at the German Naval Command, Italy reports that after return of submarines U "331" and U "559", the eastern Mediterranean has only five submarines. Reinforcement by the four submarines coming from the western Mediterranean (see foregoing directive to the Commanding Admiral, Submarines) cannot be expected before 9 Dec.. Naval High Command, Italy considers it urgently necessary to concentrate all available submarines in this area in view of the present situation in North Africa. Naval High Command, Italy recommends sending the submarine originally scheduled for keeping Russian ships in the Turkish Straits for duty along the North African coast at least until the four U-boats arrive from the west.

The Naval Staff rejects this request since the submarine was given the assignment by the Fuehrer personally.

Submarines U "97" and U "371" have left Salamis.

Further report on the situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

Use of German air forces in fighting in Libya.

3. Eastern Front:

Nothing to report.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

The following ships, besides the vessels of Group H, are in Gibraltar: 47 steamers, 1 tanker, 2 passenger liners and 5 auxiliary cruisers. Day and night patrol of the Strait of Gibraltar by destroyers and gunboats continues to be strong. The night patrol now includes Moroccan territorial waters. According to a Spanish agent, the transport RANGITATA, which left on 1 Dec. ostensibly for Libya, has 2,000 to 3,000 infantry troops, air force personnel and marines aboard.

Central and Eastern Mediterranean:

Three British ships of an undetermined type shelled the coast west of Tobruk shortly after midnight and afterwards moved west. According to radio monitoring, planes left at 0530 and 0830 to assist vessels under attack presumably off the Marmarican coast. Radio communication between the British Admiralty and the Mediterranean Fleet as well as between Malta, Alexandria and some submarines was extremely active.

According to reports received from Italian agents on 3 Dec., two damaged vessels put in at Alexandria in the last few days. One seriously damaged battleship is supposed to go to the United States via the Red Sea for repairs. Two destroyers arrived on 2 Dec. with many survivors of a cruiser which is said to have been sunk by a mine. However, the Italian Navy believes an Italian aerial torpedo was responsible for the sinking. According to a report from the Italian Naval Attache at Bucharest, a convoy is waiting at Alexandria to take part in landing operations along the Gulf of Sidra.

The Australian destroyer PARAMATTA was torpedoed off Tobruk during the night of 27 Nov., according to a deciphered radio message. For Life Magazine coverage of bomber attacks on the ILLUSTRIOUS on 10 Jan. 1941 see News Analysis No. 42, section "Foreign Navies", of the Naval Staff, Intelligence Division.

2. Situation Italy:

Five German PT boats arrived in Augusta on 3 Dec.. Twelve Italian submarines are in waiting position in the Mediterranean and five in the Atlantic. 211 men are missing from the tanker MONTEVANI and the destroyer DA MOSTO.

3. Transport of Supplies to North Africa:

In transporting three landing craft from Tripoli to Benghazi, one sank because of heavy seas on 3 Dec.. Other traffic normal.

4. Area Naval Group South:

Aegean Sea:

Auxiliary naval vessel BARLETTA arrived at Piraeus after laying mines. See War Diary, Part B, Vol. IV for report from Naval Shore Command, Crete about torpedoing of the salvage steamer HERKULES at Candia through a single net barrage, and about proposals of Net Barrage Unit to Group Command South for laying a four-fold barrage.

Black Sea:Enemy Situation:

According to an Italian report, there are now 13 Russian vessels at Istanbul, including three recent arrivals. Air reconnaissance over Sevastopol reveals nothing new.

Own Situation:

At Burgas two Siebel ferries burned out during the night of 2 Dec.. Cause of fires unknown. The DELFINUL did not leave because of damage to torpedo tube. Cause of loss of steamers CAVARNA and CORDELIA not yet determined.

IX. Army Situation1. Russian Front:Southern Army Group:

Little action in the Crimea because of bad weather.

At the 1st Panzer Army sector the enemy continued strong attacks along the entire front of the III Panzer Corps. Attacks on the 16th Infantry Division, the 4th Mountain Division on the left flank of the Army, as well as a night attack on Italian mechanized divisions were repulsed. Only sporadic enemy attacks at the 17th and 6th Army sectors.

Central Army Group:

2nd Army and 2nd Panzer Army movements are continuing with success. Little fighting in sectors of 4th and 9th Army southwest of Moscow. Repeated strong enemy attacks were repulsed west and northwest of Moscow.

Northern Army Group:

Enemy attacks at Tikhvin, and attempts to break through along the Leningrad front were repulsed.

2. Finnish and Norwegian Front:

Attack on Medvezhaya Gora by Karelian Army is continu-

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ing successfully.

3. North Africa:

Enemy reconnaissance with strong forces from the area around Bir el Gobi in direction El Adem. Armored Group expects enemy to attack by 5 Dec.

Own losses from 18 Nov. to 4 Dec.:

16 commanding officers and a corresponding number of officers. No exact figures available.
3,800 non-commissioned officers and men.

Materiel:

22 tanks "II"
95 tanks "III"
25 tanks "IV"
10 heavy armored scout cars
15 light armored scout cars.

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Items of Political Importance

Great Britain:

The debate in the House of Commons regarding extension of universal military service led to passing the government proposal that all male and female workers be mobilized with 321 votes to 10. An amendment to nationalize industry (railroads, mines and munitions factories), sponsored by the Labor Party, was rejected by a vote of 336 to 40. The shortage of coal necessitates a further reduction of railroad traffic, which has already been reduced to 75% of normal.

Finland:

On 4 Dec. the government gave a negative reply to the British ultimatum.

U.S.S.R.:

A pact has been signed by Stalin and the head of the Polish Government in Exile providing that Poland and Russia, together with the other Allies and with help from the United States, will fight the war to a successful conclusion. For further details see Political Review No. 286, Paragraph 4.

U.S.A.:

According to Reuter, the Japanese answer to the U.S. request for an explanation of Japanese troop reinforcements in Indo-China is to be handed to U.S. officials in Washington on 5 Dec.

Domei declares that the principles contained in the U.S. note could not form a basis for negotiations between the U.S. and Japan. With regard to rumors about the possibility of a break in U.S.-Japanese relations in the near future, Japanese Government sources declare that even an unfavorable conclusion of the talks in Washington would not necessarily lead directly to outright war in the Pacific.

The isolationist paper Chicago Tribune published a supposedly very confidential report of Roosevelt's about preparation of a strong invasion army numbering five million men for use in Europe in July 1943.

The installation of American food and ammunition depots, flying schools, and repair shops in Egypt, Iraq and Iran as well as inauguration of daily plane service between Washington and Cairo are given as proof that Roosevelt expects to stay in Africa for a long time and that he expects the decisive battle of this war to be in the Atlantic.

According to newspaper reports, U.S. shipments to Russia are supposed to have remained far below schedule during the last

two months, due partly to transportation difficulties and partly to the hesitation of the British and American Armed Forces to release war materiel.

Thailand:

Occupation of Thailand by Japanese troops is imminent, according to foreign press reports.

Turkey:

Comments in the Turkish press about the German reverses at Rostov are in part very unfriendly.

Situation 5 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

Special Items:

For a synopsis of enemy reports gathered from radio monitoring and radio decoding by the Naval Staff, Chief of Naval Communications Divisions, Intelligence Branch up to 30 Nov. 1941, see Radio Intelligence Reports (B-Berichte) No. 48/41.

North Atlantic:

According to a Spanish report, the transport RANGITATA, which was reported on 4 Dec. as loaded with troops for Libya, left on 5 Dec. with three destroyers on a westerly course. Probably camouflage course!

According to an Italian report, both American and British forces are patrolling off the Azores. Two battleships and several destroyers are said to be on duty there.

According to a review by the U.S. Navy Department, two battleships, one carrier, fourteen destroyers and ten submarines were commissioned during 1941 up to 1 Dec.

South Atlantic:

The British tanker WOLFE sent a merchant raider distress signal off the Lesser Antilles on 15 Nov.. This message was cancelled later and transmitted to radio station Annapolis by U.S. radio station San Juan.

Indian Ocean:

According to a report from the Japanese naval attache at Bangkok, the following British ships were lying in Trincomalee harbor on 20 Nov.: The battleships PRINCE OF WALES, REPULSE, and

REVENGE; the carriers EAGLE and HERMES; 9 cruisers and 6 destroyers. This force left on 25 Nov. and arrived in Singapore on 2 Dec. with the exception of one carrier and several cruisers which apparently made for another port.

Pacific Ocean:

According to a deciphered radio directive from the U.S. station at Cavite, American merchantmen in the Pacific are again receiving definite sailing orders and directions on showing lights.

2. Own Situation:

For enemy situation reports see Radiograms 0720, 1753, 1917.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance sighted ten steamers lying to off Plymouth, and a destroyer on southwest course east of Falmouth.

2. Own Situation:

Atlantic Coast:

Three ground mines were removed off Brest.

Directive to Group West: Commanding Admiral, Submarines reports that the supply ship BENNO, a tanker, will depart in a manner similar to the PYTHON. The BENNO, intended for transporting fuel and other supplies for blockade-runners to Japan, will be ready for departure at St. Nazaire after 12 Dec.

Order for departure of BENNO according to directive of Naval Staff, Operations Division (1/Skl. Ik 2077/41 op Gkdos. Chefs.) in War Diary, Part C, Vol. IX.

Regarding allocation of light naval forces (cf. War Diary 30 Nov.) the Commanding Admiral, Submarines and Group West have been requested to make available the 2nd Torpedo Boat Flotilla beginning 10 Jan. and the four destroyers beginning 18 Jan.. Contrary to this directive, Group North requested that the 2nd Torpedo Boat Flotilla be given a rest period and that newly commissioned destroyers and torpedo boats be employed to reinforce the defense forces in the Skagerrak. This request is denied. Regarding the length of time which the torpedo boats must spend in dry dock, the decision has been left to Group West in accord with Fleet Command and Commander, Torpedo Boats.

Channel Coast:

Departure of ship "10" postponed another 24 hours.

Minelaying by the 2nd and 4th PT Flotillas was carried out according to plan. Destroyers were unable to prevent successful attacks on convoys because of the bright moonlight. For brief reports from the two flotillas see Radiograms 1815 and 2010. Enemy air raids in the Channel area during the day. A harbor defense vessel was damaged off Boulogne during these raids with a few casualties among personnel. Two harbor defense boats sustained light damage off Le Havre and one attacker was shot down by a naval battery. A few casualties among personnel from attacks on a group of the 38th Minesweeper Flotilla and motor fishing vessel of the training unit.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Little air activity before noon, but very lively air activity in the afternoon over the entire North Sea region. A plane sent an SOS northwest of Stadland.

Own Situation:

Steamers KAI and ARIEL in an eastbound convoy ran aground off Schiermonnikoog. The ARIEL was able to get free. Salvage of the KAI has started. A few casualties among the crew of a fishing vessel.

2. Norway:

Enemy Situation:

According to air reconnaissance, the regular patrols are operating off Kola Bay and in the western sea lanes, otherwise there is very little ship traffic. According to radio monitoring, submarines are suspected off Kvaloe and Nordkyn. A submarine was sighted off North Cape.

Radio monitoring by the Air Force daily intercepted radio-telephone conversations in the Hammerfest region between British and Russian submarines and stations on land in English, Russian and Norwegian. It was learned that three British submarines off Hammerfest were relieved on 3 Dec. and that Russian submarines were probably lying off Honningsvaag.

Own Situation:

Steps have been taken to make use of the radio monitoring of the Air Force and to make available radio equipment and Russian interpreters. It was learned from the conversation between two enemy submarines on 4 Dec. that the British submarine HENRY was so heavily damaged by one of our subchasers that she had to be abandoned and the crew was transferred to the Rus-

sian submarine SUGAR. It is gratifying to know that the attack on the submarine was successful, even though the subchaser UJ "1708" was sunk. (See War Diary 3 Dec. 1941.) The Norwegian steamer ISLAND was torpedoed by an enemy submarine off Mehavn. The crew was rescued.

In view of the threat of enemy submarines along the inter-island route off the Arctic coast, the Commanding Admiral, Norway recommends diversion of destroyers and TANGA off this route. The Commanding Admiral, Norway points out the possibility that appearance of enemy forces off the Arctic coast is connected with probable arrival of convoy PQ 5 in the Arctic Ocean between 4 Dec. and 8 Dec. headed for Murmansk. See Radiogram 1645.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, transport MOLOTOV radioed Hogland for help the morning of 3 Dec.. According to further intercepted news, traffic on Lake Ladoga virtually came to a standstill on 3 Dec. as a result of the fuel shortage. It is planned to free several icebound ships by blasting. A channel free of ice approximately 2 km. wide in the Volkhov estuary was reported on 5 Dec.. Six ships with steam up were lying in the channel. The channel between Kronstadt and Leningrad was frozen over. According to a report by the Commander in Chief, Air, Operations Staff to 1st Air Force, the Liaison Officer of Northern Army Group reports that the battleship MARAT shells our radio intercept points and battery daily with eight to twelve salvos of 30.5 cm caliber from her two triple turrets remaining in action. According to Army opinion, the MARAT, which is being painted white at present, can be put completely out of action only by heavy or very heavy bombs.

Interrogation of the Commander of the Russian Transport Fleet, who was captured aboard the STALIN, brought out the following information: The STALIN left Kronstadt on 24 Nov. preceded by three minesweepers and accompanied by two destroyers. The STALIN had waited in Kronstadt for 13 days until a way had been cleared north of Juminda mine barrage, and then arrived in Hangoe on 27 Nov.. Evacuation of Hangoe has been under way since 25 Nov.. According to the prisoner's statement, morale of the Navy is good, but that of the Army bad. North shipyard in Leningrad has been knocked out by German shelling; other shipyards were damaged but are still working. OKTYABRSKAYA REVOLUTSIYA and MAXIM GORKI are said to be ready for action again, but MARAT is out of commission. All ships are supposed to be blown up rather than be captured by the enemy. The transport fleet for evacuation of Hangoe and Odensholm consists of STALIN, MOLOTOV (9,000 tons each), OTTO SCHMIDT, LEVANDOVSKI, STARAYA PETILETKA (8,000 tons each), AXEL KARL (German prize of 4,000 tons) and six smaller steamers. There are also five icebreakers, two heavy, two medium and one light.

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Transport fleet was used for reinforcements in the Gulf of Finland and also evacuated Bjoerkoe (see Radiogram 0811).

2. Own Situation:

Odensholm was occupied at 1100 by Marine shock troops. According to a report from Commanding Admiral, Baltic Countries, about 7,050 men were taken aboard the STALIN at Hangoe. The ship received two mine hits and one artillery hit, whereby about 4,000 men are said to have been killed. After the first mine hit, 500 men were transferred to a destroyer, among them the Commanding Officer of Hangoe, commissars and the mine pilot. Present weather conditions make further investigation impossible.

The Great Belt has been closed temporarily because of suspected danger from aerial mines. The 4th Transport Squadron Oslo-Vasa, with a complement of 1,775 men aboard, will leave Horten on 6 Dec. with two steamers.

The request of the Finnish Naval Command for Russian prisoners from the STALIN for the purpose of questioning them about the location of land and sea mines and for use in minesweeping was endorsed by the Naval Staff and transmitted to the Armed Forces High Command. One condition for granting this request is that our own Naval Staff is informed of the testimony and the use to which it is put. Corresponding message to Group North by order of Commanding Admiral, Baltic Countries, see Radiogram 1818.

3. Special Items:

a. The assignments which were given the Navy by the Fuehrer for the war in the Baltic against Soviet Russia have been carried out in spite of very strong enemy superiority and with limited forces, which were partly hardly fit for action. The enemy was put on the defensive from the very beginning of the campaign.

These successes, the like of which has never occurred in the history of the war, were achieved because the commanding officers in charge of operations and their staffs were capable of making bold decisions and the troops were constantly resolved and ready to give all they had. The Commander in Chief, Navy commends all admirals, commanding officers, officers and men of the armed forces engaged in the war in the Baltic Sea for their willingness to give their utmost at all times.

For copy of this directive of the Naval Staff, Operations Division (1 Skl. 1 Abt. 52987 g/41), in which unit and personal citations are given, see War Diary, file "Barbarossa".

b. From a dispatch to Field Marshal Mannerheim from the Chief of Staff, Armed Forces High Command on 21 Nov. 1941:

The Army High Command, Norway will be transferred back to Oslo in the beginning of January. A new Army High Command will be created for central and northern Finland, with General Dietl in command. The first task for the new Army High Command is the

attack on Kandalaksha, which is planned for March. Plans for this operation call for bringing up two mountain divisions with special equipment. The Finns are requested to make available two ski brigades for the attack. The command of the southern group for encirclement, to which a German mountain division will be assigned, is to be given a Finnish General, possibly the Commanding General of the III Army Corps. German air units are expected to participate. The clearing of Hangoe and Odensholm has simplified transportation difficulties.

V. Merchant Shipping:

Brief Report No. 53 in the report series of the Naval Staff, Intelligence Division under the heading "Foreign Merchant Shipping" includes the following:

a. A list of British, Allied and neutral ships which were lying in French harbors at the time the armistice with France was concluded; the British justify the seizure of French ships by saying that we have detained the above mentioned vessels.

b. A survey of the activities of Japanese merchantmen during the first half of 1941.

c. Other news.

VI. Submarine Warfare

1. Enemy Situation:

Lively air activity from Gibraltar toward the west. One submarine was reported. According to an unconfirmed Italian report, Britain has lost eight submarines during October and has asked the U.S. for the use of eleven submarines. Two U.S. submarines are said to be stationed in the Atlantic.

2. Own Situation:

According to the Commanding Admiral, Submarines, Italy, submarine U "97" ran aground off Phleva after leaving Salamis. Salvage operations have been started. (See Radiogram 0930.)

VII. Aerial Warfare

1. British Isles and Vicinity:

Enemy air activity over Channel coast and Dutch coast. At dusk seven of our planes attacked ship targets. No reports

of success. According to a report from 5th Air Force, catapult ship FRIESENLAND was transferred to Tromsø to take on a squadron of reconnaissance seaplanes BV 138.

2. Mediterranean Theater:

For results of air reconnaissance see Mediterranean Situation. It is sure that 13 British planes were shot down by Italian pursuit planes on 4 Dec.. The Italians were escorting our air transports. One of our planes is missing. Weather conditions made air support of ground fighting in North Africa impossible. The X Air Corps reports that while attacking a British cruiser with torpedoes, the vessel shot projectiles which exploded into a great number of pieces over an area of 100 sq. meters when they fell.

3. Eastern Front:

For results of air reconnaissance see Situation Black Sea and Baltic Sea. Otherwise nothing to report.

VIII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

Radio decoding of the report from British Naval Attache in Madrid to the British Intelligence Service regarding torpedoing of Spanish steamer CASTILLO OROPESA off Melilla on 11 Nov. contains the remark that the Spanish director of shipping is of the opinion that an Axis submarine is responsible for the torpedoing. (See Radio Intelligence Report 1655.) Situation in Gibraltar remains almost unchanged.

Central and Eastern Mediterranean:

Only light naval forces were sighted by air reconnaissance off the Marmarica coast. For details see Radiogram 2000. According to radio monitoring, a British convoy or vessel was under attack off the Marmarica coast at 0530, 1000 and 1005.

2. Special Items:

In order to strengthen our position in the Mediterranean and to create a concentration of Axis fighting power in the central Mediterranean, the Fuehrer, in accord with the Duce, has ordered the following:

Air Force units no longer essential in the East up to one air corps in strength are to be transferred to the areas of southern Italy and North Africa, together with the necessary anti-aircraft defense units.

Besides having an immediate effect on the warfare in the Mediterranean and in North Africa, this action should have a fundamental influence on the entire further development in the Mediterranean area.

The Fuehrer entrusted the command of all forces being concentrated for this purpose to Field Marshal Kesselring and designated him Commanding General, Armed Forces, South.

The German naval forces on duty in the central Mediterranean remain under the command of the Commander in Chief, Navy.

The Commanding General, Armed Forces, South is authorized to issue directives to the German Admiral at the Italian Admiralty and if necessary to Naval Group South (for the eastern Mediterranean) in order to execute the tasks assigned to him. Combat orders will be issued by the naval offices in conformity with those given by the Commanding General, Armed Forces, South. Any request by the Commanding General, Armed Forces, South for joint naval action of the Axis forces is to be submitted only to the German Admiral at the Italian Admiralty.

Copy of Directive 38 of Fuehrer and Supreme Commander, Armed Forces giving the above orders and outlining the duties and command relationships of the new Commanding General is in War Diary, Part C, Vol. XIV (1/Skl. I op. 2081/41 Gkdos. Chefs.).

3. Situation Italy:

An enemy submarine sank the steamer ERIDANO on 4 Dec. north of Cephalonia. An enemy air raid on the town of Villa San Giovanni (opposite Messina) caused heavy damage to railroads and light damage on the auxiliary vessel LAGOTANA. Two of the attacking planes were shot down by Italian pursuit planes.

On 25 and 26 Nov. the Italian torpedo boat CASTORE contacted and pursued an enemy submarine which had been sighted and reported by a plane. The CASTORE is equipped with a German submarine detector (S-Geraet) with which it achieved excellent results. The enemy submarine was definitely destroyed by depth charges. Italian planes could plainly see the wreck of the submarine 68 meters under water. The detector was operated by specialists from the destroyer LODY. The commanding officer of the torpedo boat was trained in Gdynia.

This victory clearly proves the value of the support the Axis partner obtains from the German Navy both in personnel and materiel.

4. Transport of Supplies to North Africa:

The German General at the Headquarters of the Italian Armed Forces forwarded a very pertinent estimate of the situation to the Armed Forces' High Command, Operations Staff, National Defense. Recommendations from the Italian High Command for improvement of the situation were enclosed. He reported:

"Combat fitness of German and Italian troops can be maintained only if fresh supplies and reinforcements of all types are forthcoming immediately. As long as the British dominate the air and the sea in the central Mediterranean; only a small percentage of what is needed can be shipped. At present destroyers and submarine supply ships are helping out, but at best they can carry only 15,000 tons per month of the 100,000 tons which are needed. Bad weather reduces even this figure by preventing destroyers from leaving port. Cruisers could raise the tonnage only slightly. During the last few weeks merchantmen were able to get through the blockade in only a few instances. They need a stronger escort by the Italian Navy, but the latter is obliged to use her fuel oil sparingly. More planes are also badly needed for escort and reconnaissance duty. Air transports must be used to the greatest extent possible, but they cannot replace ships. Libya will not be properly supplied until we can again send freighters, independently or in convoys, to North Africa, especially to Benghazi and Tripoli. Merchantmen cannot cross the Mediterranean successfully during the present full moon. Unless the fighting in the Marmarica lets up, the Air Force will be unable to carry out reconnaissance and protect shipping adequately. Sicily has particularly few planes at the moment because the airfields were cleared to make way for the II Air Corps. The Commanding General, Armed Forces, South has taken up the problem of convoy protection. A regular schedule of troop transportation cannot be resumed until the II Air Corps has created the proper conditions for regular convoy traffic by keeping Malta in check and can take over directly the air protection of these convoys.

The Italian High Command makes the following recommendations for relieving the situation:

- a. Make greatest possible use of German transport planes.
- b. If the quantity of fuel oil cannot be increased, speed up the delivery of fuel oil which was promised.
- c. Get II Air Corps into action quickly."

Copy of the above in War Diary, Part C, Vol. XIV in accordance with directive of Commander in Chief, Navy (Ob.d.M. 2071/41 Gkdos. Chfs.).

Convoy movements on 5 Dec. without incident. For details see naval transport situation, Radiogram 1420.

5. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

Air reconnaissance reveals no significant changes at Sevastopol, Taman and Novorossisk.

According to a report from Army Group, the possibility exists that the Russians will try to land in the rear of the 1st Panzer Army, between Taganrog and Mariupol, by way of the Sea of Azov.

Own Situation:

For directive from Commander in Chief, Navy to Naval Group South to assist the Southern Army Group in the reconnaissance of possible enemy action across the Sea of Azov see Radiogram 1616.

Two new mines, presumably pearl mines, were removed during sweeping operations off Varna mole. On 4 Dec. the steamer CARPATI was frozen fast east of Ochakov North. Engineers are trying to free her.

IX. Army Situation

1. Russian Front:

Southern Army Group:

Supplies for the attack on Sevastopol are delayed by transportation difficulties. Enemy attacks on the motorized III Army Corps began again during the early morning. The 13th and 14th Panzer Divisions repulsed very heavy attacks. The cold wave is breaking.

At the 17th Army sector a surprise attack of the IV Army Corps with support of the Italian Psubio Division was successful in the direction of Lomovodka. The enemy retreated toward the southeast. At the 6th Army sector enemy patrols and holding attacks were repulsed.

Central Army Group:

Separate divisions of the 2nd Army gained some terrain toward the east. At the sector of the 2nd Panzer Army, temperatures as low as -35° C made fighting and use of weapons impossible. Many cases of frostbite. Attacks on 17th, 3rd and 4th Panzer Divisions were repulsed. On the 4th Army sector the situation of the southern flank of the forces encircling Moscow remained largely unchanged. Strong enemy attacks, some lasting all day, had to be repulsed at many positions southwest, west and northwest of Moscow. Between 16 Nov. and 3 Dec. Panzer Group 4 took 21,860 prisoners in this sector and captured or destroyed 449 tanks and 264 guns.

The anticipated attack at the 9th Army sector east of Kalinin was carried out by strong enemy forces. The enemy succeeded in crossing the Volga at several places, but was thrown back by counterattacks. Strong enemy concentrations north of Kalinin were destroyed by our artillery. Enemy attacks west of Kalinin were repulsed by the 162nd Infantry Division.

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Northern Army Group:

The strong enemy attacks east of Tikhvin are still in progress. Attacks in the Volkhov sector were repulsed.

2. Finnish and Norwegian Front:

No noteworthy changes.

3. North Africa:

Reinforced enemy reconnaissance detachments tried to establish contact with the Pavia Division but did not attack. Air reconnaissance revealed that further reinforcements for the 2nd South African Division are being brought up from western Egypt.

The state of siege on the eastern front had to be abandoned after renewed enemy attacks from Tobruk.

Parts of the 22nd Guard Brigade and the 4th Armored Brigade, which were stationed in the area around Bir el Gubi, were forced back in an attack by the Panzer Group. The Sollum and Bardia fronts were held. Food supplies there are exhausted. Supplies by air and water are insufficient.

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Items of Political Importance

Great Britain:

According to official report there have been no satisfactory answers to the British demands from the Finnish, Hungarian and Rumanian Governments. These governments will therefore be notified that a state of war exists between them and Britain.

U.S.A.:

The answer from the Japanese Government regarding occupation of Indo-China states that Chinese troops recently showed signs of activity at the northern border of French Indo-China. As a countermeasure it was necessary to reinforce Japanese troops to a certain degree, causing troop movements also in the southern part of the country.

The report signed by Chief of Staff Marshall and Chief of Naval Operations Stark and published by the Chicago Tribune contains the following points:

1. War aim of the U.S. is total defeat of Germany and her allies.

2. There are important reasons for the U.S. to continue the war until final victory, even in case of total defeat of Britain and the Soviet Union.

3. Strategy of the U.S. must provide for giving all possible aid for successful continuation of military operations. Finally, these operations will have to be strengthened by active U.S. participation in the war, Japan being kept in check at the same time.

4. Since the U.S. and her allies will not be able to launch a military offensive against Germany in the near future, the economic blockade must be continued. In areas where German forces are located, air and sea offensives must be undertaken. It is particularly important that any resistance movement in the areas occupied by Germany be supported.

Secretary of War Stimson declared that publication of this report was the result of gross indiscretion and has done great harm to U.S. interests.

Japan:

According to report from Japanese diplomatic circles, the conferences with the U.S. are taking a course unsatisfactory to Japan. The U.S. Government obviously wants to gain time. Roosevelt's unyielding attitude was evidently strengthened by the Chinese Government's threat that China will anticipate an American-Japanese rapprochement at China's expense by a corresponding

compromise of her own with Japan. Britain is watching very anxiously the negative course these negotiations are taking. Future developments are unpredictable. The war of nerves is so real that nobody can tell whether an armed conflict will develop from it or not.

The change in the Japanese cabinet has no significance for foreign policy, unless the appointment of a separate cabinet member for the Overseas Ministry, formerly administered by the Foreign Minister, is intended to lighten the work of the latter in view of the international situation.

Thailand:

According to diplomatic reports, the situation in Thailand seems to be rapidly approaching a crisis. Japanese troop movements from the north to southern Indo-China lead to the conclusion that the Japanese offensive against the Burma Road by way of Yunnan province has been abandoned and that an occupation of Thailand is planned. The pro-Japanese Prime Minister has also been named Commander in Chief of the Armed Forces. He is of the opinion that British promises of aid are worthless and therefore has definitely decided on collaboration with Japan. Besides, he is said to be convinced of the victory of the Axis Powers.

According to report from Japanese-informed circles, the time for launching the offensive in the south is not dependent on the result of Kurusu's mission, which is mainly a device to gain time. The Japanese expect little or no resistance from the Siamese Armed Forces.

Special Items:

I. Participation of the United States in the War:

The measures which the U.S. has taken for aiding Britain have been in gross disregard of neutrality. With the change of the Neutrality Law with respect to naval and commercial warfare, they have now reached a point where an open declaration of war cannot make any appreciable difference. If, in spite of these facts, the basic policy of avoiding any incidents involving the U.S. is to be followed, the war against merchant shipping no longer offers any prospects of success. If American ships are able to bring supplies to Britain, even though only as far as Iceland or some intermediate port, without running any risk of submarine attack, chances of a successful war against merchant shipping diminish in the same proportion in which American tonnage replaces that of the enemy. The fact remains that the only course with some prospect of forcing Britain to make peace is at present an attack on her supply lines and destruction of tonnage in her service. Therefore the Naval Staff considers the present instructions no longer tenable under which the United States, which is in fact an active participant in the war, receives more considerate treatment than a country which is actually neutral.

Taking these facts into consideration, the Naval Staff proposes new regulations for action against naval and merchant vessels within and outside of the blockade area. The Naval Staff renews its demand for permission to wage war within the entire Pan-American Safety Zone and a directive is requested whereby enemy destination of absolute contraband will be considered proved if the goods are destined for a country which supplies the enemy contrary to its professed neutrality.

For request to this effect from Naval Staff, Chief of Operations Branch, Deputy to Chief of Operations Division (1/Skl Ia 24608/41 Gkdos.) to the Armed Forces High Command, Operations Staff; the Armed Forces High Command, Operations Staff, National Defense; the Armed Forces High Command, Foreign Affairs Division and the Foreign Office, see War Diary, Part B, Vol. XVII.

II. Concerning Readiness of the Destroyers:

Commander, Destroyers reports the following destroyers ready for duty:

A. In the Northern Area:

1. Destroyers Z "23", "24", "25", "26", "27", all under Commander, 8th Destroyer Flotilla.

2. THEODOR RIEDEL, now in Bergen, will be available for home duty the end of December.

B. In Germany and ready for action are:

1. Beginning 10 Dec.: JAKOBI

2. Beginning 1 Jan.:

- a. RICHARD BEITZEN
- b. HEINEMANN
- c. HERMANN SCHOEMANN

C. At the end of January the following will be ready for duty:

FRIEDRICH IHN, Z "28", Z "29".

D. Z "30" will be ready for duty the second half of March.

E. Schedule of ships in dry dock:

1. STEINBRINK until 26 Jan.

2. LODY until 16 Feb.

3. ECKHOLDT until 15 Mar.

4. GALSTER until 15 Apr.

Naval Group West reports that transfer of destroyers BEITZEN, HEINEMANN, and SCHOEMANN to the West Area is planned for the be-

ginning of January. However, Commander, Destroyers is advised to be prepared that they might be sent for on short notice at an earlier date, since their use depends on the ice conditions in the Baltic and North Sea.

The Naval Staff orders that destroyer Z "29" is to be transferred to the north in order to bring the number of destroyers there up to six. Upon the request of Naval Group West, four destroyers will be transferred west. The fifth destroyer will be at the disposition of the Ship Gunnery School from 5 Jan. to 24 Jan.. For telegram to this effect as ordered by Naval Staff, Operations Division (1/Skl I op 2076/41 Gkdos. Chefsache) see War Diary, Part C, Vol. IX.

III. Fuel Oil Situation:

A supplementary shipment of 25,000 to 30,000 tons of fuel oil to the Italian Navy is necessary due to absence of shipments from Rumania in the months of November and December. The German Navy can expect 47,000 tons of fuel oil from home production during December.

In January and February 1942 the German Navy also expects 47,000 tons of fuel oil per month from home production. Shipments from Rumania are expected to total 40,000 tons per month for Germany and Italy together, 3,000 tons of which will be allocated to Naval Group South. We may count on slowly increasing production and an increase in the shipments from Rumania beginning with March 1942. The maximum figure for Rumanian exports may be set at 85,000 tons per month. Of the monthly Estonian production of 3,500 tons, the first 3,000 tons are put at the disposal of the Finnish Navy each month. For comprehensive report on the fuel oil situation and directive to Naval Staff, Quartermaster Division regarding fuel oil shipments to Italy by Naval Staff, Operations Division, Fuel and Supply Section (1/Skl Ig 28346/41 Gkdos.) see War Diary, Part C, Vol. IX.

IV. On the basis of a telephone request, the Armed Forces High Command, Operations Staff, National Defense and the Fuehrer Headquarters are notified for Captain von Puttkamer that the cranes of HIPPER and PRINZ EUGEN have a load capacity of 12 tons, those of the armored cruisers and the small cruisers a capacity of 10 tons. Also the cruising range of the PT boats in the Mediterranean was reported, with the annotation that the use over larger distances of the five boats does not depend so much upon their cruising range as upon their navigational inadequacy and upon the fact that they possess only one watch. According to the opinion of the Naval Staff, it is hardly possible to use PT boats over distances greater than 150 to 200 miles. (See Radiogram 2121.)

Situation 6 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The auxiliary cruiser CIRCASSIA was at sea in the area off Canada on 3 Dec.. Aircraft carrier FURIOUS was presumably also at sea in the western Atlantic off the U.S.. ILLUSTRIOUS is probably located between Bermuda and the U.S.. INDOMITABLE was in West Indian waters on 4 Dec.; she is obviously returning to port.

South Atlantic:

Auxiliary cruiser ASTURIAS arrived at Montevideo on 5 Dec.. The press again mentions the assembly of another convoy. The convoys which have repeatedly been reported from La Plata were never confirmed. According to radio monitoring most of the ships which sail alone between the West Indies and the Cape of Good Hope avoid the area around Ascension Island and St. Helena, taking a route via 15 S 30 W and 31 S 10 W. The fast steamers EMPRESS OF AUSTRALIA, MAURETANIA and NIEUW AMSTERDAM were sighted in Capetown toward the end of October. They were loaded with troops. Capetown and Durban are crowded beyond capacity. The ships' lights are dimmed but the towns themselves are not blacked out. No mine fields are suspected outside of the harbors.

2. Own Situation:

According to deciphered radio report from the British Admiralty on 2 Dec., cruiser DORSETSHIRE sighted an enemy steamer 650 miles northeast of Tristan da Cunha. The enemy steamer was scuttled after DORSETSHIRE fired a warning shot. Boats loaded with fuel and supplies were lying alongside. Survivors were not taken aboard because of possible submarines in the vicinity. Later a plane sighted fifteen boats and one float. The action described was the sinking of the submarine supply ship PYTHON.

According to newspaper reports, the Australian Government has asked for a legal opinion about the question whether the auxiliary cruiser CORMORAN is to be treated as a pirate if she opened fire before hoisting her own ensign.

This propaganda report cannot be said to have serious significance.

The rescued personnel from CORMORAN amounts to 318 men according to announcement by the Australian Navy. All hope of finding survivors from SIDNEY has been abandoned.

Report to Naval Attache in Tokyo concerning fate of KOTA NOPAN, SILVAPLANA, ship "16" and ship "41" by Radiogram 1212. Report about situation of the enemy by Radiograms 1836 and 2354.

II. Situation West Area1. Enemy Situation:

According to a report of the British Admiralty on 30

Nov., 2,840 BRT were sunk out of a convoy off Cromer. The report is incomplete.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

The 2nd Minesweeper Flotilla had an engagement with several enemy PT boats at 0334 off Cape Gris Nez while patrolling the convoy lanes. One enemy PT boat was destroyed and another seriously damaged. No loss or damage to our own ships. A fuel depot at Carner was shot into flames during enemy air raids at noon.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Cruiser KENYA arrived in Rosyth, coming apparently from the polar area. DUKE OF YORK and TRINIDAD held exercises with airplanes on 5 Dec. in northern Scottish waters. RENOWN arrived at Scapa from the north. It is surmised that RAMILLIES and RESOLUTION are at Scapa; RAMILLIES could also be on the northern route, however. RODNEY was still in the Reykjavik area on 4 Dec.

Own Situation:

Nothing to report.

2. Norway:

Enemy Situation:

Radio telephone communication between the Norwegian land station and British and Russian submarines off Hammerfest was further observed. Valuable hints about submarine activities were intercepted. For details see Radiogram 1715.

Own Situation:

The operations staff of the Commanding Admiral, Norway was decommissioned on 5 Dec. after transfer of duties to Admiral, Arctic Ocean. Destroyers Z "23", Z "25" and Z "27" and TANGA arrived in Tromsø. THEODOR RIEDEL and submarine U "578" have started the trip to return home from Bergen. The mines suspected in Magerøe Sound were confirmed. During an air raid on Petsamo in the night of 5 Dec., a steamer was slightly damaged with small loss of personnel. Two small vessels of the 54th Minesweeper Flotilla were sunk on 4 Dec. off Kristiansund North.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea1. Enemy Situation:

For result of the interrogation of prisoners from STALIN by Commanding Admiral, Baltic Countries regarding Russian occupation of Hangoe and other items, see Radiogram 1845 and War Diary 5 Dec.

According to further testimony by prisoners, Hogland has been evacuated.

2. Own Situation:

For report about occupation of Odensholm on 5 Dec. by the 2nd Company of the Naval Shock Troop Detachment see Radiogram 1215. About 800 prisoners were taken off STALIN on 5 Dec.. An equal number is said to be still aboard. Twelve Russian Army officers were turned over to the Finns for clearing land mines at Hangoe. The Commanding Admiral, Baltic Countries doubts the wisdom of giving all the prisoners from STALIN to the Finns in view of the labor situation in the Estonian oil shale region.

V. Submarine Warfare1. Enemy Situation:

Lone cruisers on patrol in Iceland area and Denmark Strait. South of Cape St. Vincent, one of our submarines proceeding south was unsuccessfully attacked by a plane. Radio monitoring intercepted news about further aerial bombing attacks on two submarines with location unknown and on one submarine in the eastern Mediterranean. Both attacks were unsuccessful.

According to Reuter the British Admiralty announces the sinking of submarine U "501" by two corvettes. 37 men are said to have been taken prisoner and 10 drowned. According to press reports the British steamer EMPIRE ABILITY, formerly the German UHLENFELS (7,603 BRT), was sunk in the vicinity of the Canary Islands, and the British steamer ASHBY (4,868 BRT) was sunk off the Azores, both on 30 Nov.

2. Own Situation:

There are no reports from the submarines in the North Atlantic. Probable hits were scored on a tanker, a freighter and a destroyer in a submarine attack in the eastern Mediterranean on a convoy en route to Tobruk. The destroyer was apparently heavily damaged.

Commanding Admiral, Submarines reports that there have been no reports from submarine U "206" (Lt. Opitz), since she left St. Nazaire on 29 Nov.. The submarine must be presumed lost, probably due to a mine. Commanding Admiral, Submarines requests al

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location of more minesweepers to Commanding Admiral, Defenses, West. (See Radiogram 1830.)

The Naval Staff informs Commanding Admiral, Submarines that there are about 800 tons of fuel available at "Bernardo" and rations for only about two to three vessels. Schedule for supplying submarines at "Bernardo" is as follows: U "575" during night of 11 Dec., U "574" during night of 12 Dec., U "434" during night of 13 Dec., and U "43" during night of 14 Dec.. See Radiogram 2210.

According to report from German Naval Command, Italy, it is planned to take over command of submarines in the western Mediterranean at noon on 8 Dec.. (See Radiogram 1930.)

Further report on the situation in War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines does not believe that many reinforcements and supplies are going to the eastern Mediterranean through the Strait of Gibraltar. He thinks an attack on Algiers and Oran improbable. Therefore he is of the opinion that the center of submarine activity in the Mediterranean should be in the east, with ten ships constantly at sea. For the same reason, Commanding Admiral, Submarines thinks that fifteen submarines in the Gibraltar area simultaneously are too many, and he recommends constant operation of only six to eight submarines there, half of them east and the other half west of Gibraltar, thus using about thirty six submarines in the Mediterranean area.

Since the Commanding Admiral, Submarines does not think the North Atlantic should be stripped of all submarines, he requests that the following be used in the North Atlantic: all large boats which become ready for action and which are not suited for operations in the Mediterranean and around Gibraltar; all medium-sized submarines which are not used in the eastern Mediterranean or in the Gibraltar area; and the submarines in use in the Northern Area.

So long as the extraordinary destruction of tankers during supply operations for submarines is not solved, Commanding Admiral, Submarines considers further employment of surface vessels for supplying submarines unwise. The first submarine tanker has been commissioned. The Commanding Admiral, Submarines plans to use her with submarine packs in remote areas as soon as she is ready for operations. He asks for permission to use the area off Halifax and Bermuda for the first operation of this kind, which will be possible by about January.

Naval Staff decides that, so long as the situation in the Mediterranean is not fundamentally changed and the enemy is forced to use the route through the Mediterranean because of the necessity for speedy and sufficient assistance to the Libya offensive, neither the zones of operation nor the number of submarines being used should be changed. The problem is under constant study by the Naval Staff and new orders will be issued at the appropriate time. Transfer of submarines from the Northern Area must be refused in view of the constant enemy convoy traffic there. Permission to use the region off Halifax and Bermuda will be requested as soon as the political situation permits.

Central and Eastern Mediterranean:

Convoy movements and light enemy forces were reported in several instances at sea off Marmarica. For details see Radiograms 0900 and 1930. Only limited traffic was observed in Palestinian harbors.

2. Situation Italy:

According to report from Benghazi, two units, probably a cruiser and a destroyer, torpedoed by torpedo planes between Tobruk and Marsa Matruh on 5 Dec. at about 2300. It was not determined with certainty whether they were sunk. According to a deciphered radio message from the British Admiralty of 2 Dec. two British cruisers and a destroyer were attacked off Tobruk at 0200 on 1 Dec. without success.

3. Transport of Supplies to North Africa:

Movements according to plan and without interference. The three barges which were transferred from Tripoli to Benghazi (the fourth one was sunk - see War Diary 5 Dec.) were so battered by the heavy seas that they will not be ready for service for some time.

The German Admiral in Rome wrote to the Deputy Commander in Chief, Italian Navy and stated quite frankly that the conduct of the Italian Navy since the arrival of the two British cruisers at Malta and especially since the beginning of the battle in Marmarica shows that the repeated proposals and suggestions of the German Staff for improving the supply situation and improving conditions of naval warfare in the Mediterranean have been disregarded. In spite of the sacrifices made, it is apparent that the Italian effort since the beginning of the Marmarica battle is no longer sufficient to meet the need. This does not mean that necessarily the entire fleet must be committed, but rather that greater daring should be shown in the execution of the various tasks. To be more specific, the following points demand consideration:

- a. Mining operations in the Strait of Sicily and off Benghazi.
- b. Action by naval forces to destroy the cruisers at Malta.
- c. Action against enemy supply lines.
- d. Maintenance of our own supply transportation.
- e. The problem of using the Libyan harbors to their full capacity for unloading.

For teletype copy of the letter see 1/Skl 28382/41 Gkdos. in War Diary, Part C, Vol. XIII.

On the basis of the report from the German General in Rome (see War Diary 4 Dec., Special Items) the Armed Forces High Command transmits the following to the Italian High Command through the

German General, Rome after a conference at the Fuehrer's Headquarters:

The Armed Forces High Command has ordered all measures in its power to be taken for the safe conduct of the traffic between Italy and North Africa. A gradual improvement in the situation can be expected, especially after 2nd Air Force goes into action and light naval forces are operating in increased numbers. Only when the predominance of Axis sea and air power in the central Mediterranean has been reestablished will it be possible to make renewed overtures to the French for the use of the harbor of Bizerte. A premature use of the harbor would lead to undesirable intervention in French North Africa on the part of the British. There are at present no adequate French forces for defense nor any possibility on the part of the Axis Powers to come to the aid of the French. The question of advance shipments of foodstuffs and goods exclusive of war materiel is at present under study by the German Armistice Commission in collaboration with the Italian Armistice Commission. At the present time there are, however, neither vehicles nor fuel for covering the distance from Bizerte to the front.

The opinion of the Armed Forces High Command that the dominance of the Axis Powers in the Mediterranean can be reestablished is most noteworthy. The Naval Staff will be able to refer to this at the proper time, once the possibility of air action against enemy naval forces exists.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

The icebreaker NICOLIAN left the Dardanelles during the night of 29 Nov.

Own Situation:

The auxiliary vessel BARLETTA has been sent to bring another shipment of mines from Salonika.

The Russian icebreaker which was torpedoed off Castelrosso by Italian submarines is suspected of having shown Turkish colors. Therefore the Commanding Admiral, Aegean Sea has proposed that it be suggested to Ankara that Turkish vessels should sail in the waters in question only by day and the Turkish Government should take appropriate measures to prevent misuse of the Turkish flag. This proposal supported by Naval Group South must be rejected by the Naval Staff since it is impossible to prescribe to the Turks when they may use their own territorial waters; besides, the attention of the Turks would only be drawn to our own plans by such suggestions regarding prevention of misuse of the flag.

Black Sea:

Enemy Situation:

Nothing to report.

Own Situation:

DELFINUL departed. New mines were detected south of Grigoryevka. Otherwise nothing to report.

VIII. Army Situation

1. Russian Front:

Southern Army Group:

Landing attempts by three enemy PT boats at Eupatoria in the Crimea were repulsed. Unsuccessful enemy scouting forays south of Kerch with motor boats.

Weak enemy attacks at the 1st Panzer Army sector were repulsed off the southern flank. In general the situation at the 17th and 6th Army sectors is unchanged.

Central Army Group:

Isolated enemy attacks on the armies of this group were repulsed. Some enemy penetrations were successfully mopped up.

Northern Army Group:

This army group also had to repulse isolated enemy attacks. Our own counterattack at Tikhvin with parts of the 18th Panzer Division gained some territory in the east.

2. Finnish and Norwegian Front:

All war materiel and all means of transportation on Hangoe were destroyed or sunk.

Otherwise nothing to report.

3. North Africa:

By evening, the enemy apparently has not yet realized that we have abandoned the siege of Tobruk from the east. The German Afrika Korps could not continue its attack until afternoon since the Gambara Corps was very slow in moving up. The area immediately northwest of Bir el Gubi was reached.

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Items of Political Importance:

This evening it became known that Japanese Armed Forces have opened hostilities against the U.S.A. and Britain. The attacks on the U.S. bases in the Pacific and against Singapore were a complete surprise. At the same time as hostilities were opened, Kurusu and Nomura went to the White House to hand a note from the Japanese Government to Secretary of State Hull, stating that there is no use to continue the conferences.

With this the hitherto impenetrable veil has fallen from Japanese policy. A clear and sober estimate of its own situation has caused a government unafraid of making decisions and taking responsibilities to throw the sword onto the scales while there is still time. It acted without hesitation or scruple and before the future strength of the opponent would make the inevitable recourse to weapons an unsupportable risk. Roosevelt has lost his political game. The methods of provocation and procrastination with which he tried to control the law of action have been struck from his hands for good. Now he has the war which he always wanted, but at a time and under circumstances that were not included in his calculations.

It remains to be seen what immediate repercussions this event will bring about. Undoubtedly few nations will stay out of this war in which all the great powers are now involved. The new order of things can therefore become a general one; this depends entirely on the success of the weapons, the ability of the various leaderships and the stamina of the peoples involved. Therefore the day of 7 Dec. 1941 marks not only the beginning of a new chapter in the history of war, but also opens an unobstructed global and supra-continental view of the future world order. The extension of this struggle to the seven seas and the participation in it of a third great sea power will cause every last European to realize the importance of overseas communications and sea power. It is that much more painful for the Naval Staff that the German Navy cannot be the one to deal the decisive blows whose historical significance is being felt already. For the Navy, the war with England began five years too soon in regard to materiel. For this reason the Navy is not even in a position to exploit decisively in the Atlantic and the Mediterranean the great advantage which the war in the Pacific brings.

Situation 7 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to a Spanish report from Algeciras, the

RANGITATA is supposed to be carrying the relieved "Black Watch" regiment to England. This news again would indicate that she will leave Gibraltar in a westerly direction (cf. War Diary 5 Dec. and 6 Dec.).

Pacific:

Hostilities between the U.S.A., Britain, and Japan began in the afternoon. For further details see Situation East Asia.

2. Own Situation:

Radio decoding deciphered a message from the radio station at Slangkop reporting that survivors of the German ship PYTHON which was sunk south of St. Helena are in fifteen lifeboats, and that they are probably armed and accompanied by submarines. For this reason Allied vessels should steer clear of them; in case they are sighted, they should be reported by radio at once. Report about the enemy situation by Radiogram 1400.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance sighted a group of four steamers off Land's End on eastward course. According to radio monitoring, a convoy probably passed the Straits of Dover during the night on a westerly course. A British merchantman of 2,330 BRT was sunk by aerial torpedo 3 miles southwest of Cardiff the afternoon of 3 Dec.

2. Own Situation:

Atlantic Coast:

The Naval Staff replies in the negative to the question from Group West as to whether submarine escort is available for BENNO, which will be ready to leave within the next few days.

No reports of damage from the enemy air raids on Brest between 1905 and 2225 have been received so far.

Channel Coast:

No reports of damage due to enemy air activity in the Zeebrugge and Dunkirk region in the afternoon and early evening.

III. North Sea, Norway, Arctic Ocean:

1. North Sea:Enemy Situation:

According to radio monitoring, a British tanker of 6,968 BRT was sunk by a mine on 2 Dec. southeast of Lowestoft. Probably a success to be attributed to the 4th PT Boat Flotilla.

Own Situation:

Convoys handicapped by bad weather. Salvage operations on steamer KAI temporarily discontinued.

2. Norway:Enemy Situation:

One icebreaker of 500 to 800 tons and three freighters of approximately 6,000 BRT each arrived on 6 Dec. in the Rabocheostrovsk Harbor. A channel in the ice is open, running northeast from the harbor. Air reconnaissance reports the White Sea frozen over as far as they could see. A submarine was sighted off Kirkenes on 7 Dec. and was shelled from land. The ship returned fire but without success. Off the entrance to Petsamo Fjord two Russian submarines were both sighted and located by sound detection.

Own Situation:

The 8th PT Boat Flotilla was delayed in its voyage north because of bad weather. Three mines were swept at the western exit of Mageroe Sound. Because of increased danger from the enemy and because of the unfavorable phase of the moon, the TANGA convoy is not scheduled to proceed from Tromsøe to Kirkenes outside of the inter-island route until 10 Dec.. Unsuccessful enemy bombing of escort torpedo boat DIEDENHOFEN off Ekerøe and Feistein. One attacker was shot down.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

The Norwegian steamer STANDART was heavily damaged by a ground mine off Oslo. Defense measures have been instituted. Four torpedo mines Type B were laid in the Kronstadt channel. The shipping lane to Riga has been declared open to navigation without depth limit.

V. Submarine Warfare1. Enemy Situation:

According to an Italian report, two groups of mine-

sweepers with air escort are engaged in chasing submarines off Gibraltar. The groups operate separately by day and together by night.

2. Own Situation:

Report in War Diary, Part B, Vol. IV.

The Italians have reported their plan to transfer their submarines which have been operating in the Atlantic to the Mediterranean for transport purposes as soon as the current special task (rescue of the survivors from ship "16" and PYTHON) under direction of the Commanding Admiral, Submarines is finished. The German Naval Command, Italy and the Commanding Admiral, Submarines are directed to assist the transfer which is endorsed by the Naval Staff. Armed Forces High Command, Operations Staff, National Defense is advised of this (see Radiogram 1212).

VI. Aerial Warfare

1. British Isles and Vicinity:

A steamer of 2,500 BRT was damaged off Dundee by armed reconnaissance. Thirty planes laid mines in the Humber during the evening; three attacked ship targets but without success. Enemy air activity with thirty five planes in the area Wesel-Wuppertal-Trier-Luxemburg without noteworthy damage.

2. Mediterranean Theater:

On 6 Dec. planes of the nightfighter group in Sicily attacked a large transport steamer of 12,000 to 15,000 BRT 120 miles northwest of Benghazi. They made three direct hits but could not observe the effect because of enemy defense. Reconnaissance on 7 Dec. noted numerous capsized rubber boats, ship wreckage and two corpses in civilian clothes at the scene of the attack. Continuous attack with twenty seven planes on Tobruk in the night of 6 Dec. in order to prevent enemy unloading operations.

At 1040 German air reconnaissance sighted an enemy force of two cruisers and one destroyer 200 miles northwest of Benghazi. Bomber Group 606 attacked at 1043, 1339 and 1620 and achieved two direct hits on a cruiser in the third attack. A flame and then a column of fire was seen on the cruiser, which afterwards followed the rest of the formation with decreased speed into the distance. At 1805 Bomber Group 606 made three direct hits on a steamer of 12,000 BRT, 160 miles northwest of Benghazi. Own difficulties prevented observations of results.

According to radio monitoring, the British transport SOMERSETSHIRE reported enemy air attack at 1630 north of Sollum and thereafter sent SOS.

3. Eastern Front:

Nothing to report.

VII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

Nothing to report.

Central and Eastern Mediterranean:

According to Italian report from Cyprus, the entire British Mediterranean Fleet is at sea between the Ionian Sea and Africa. Radio monitoring on 6 Dec. in the evening confirms that the High Command of the Mediterranean Fleet is at sea, presumably for protection of convoys en route east from the central Mediterranean.

According to air reconnaissance, probably two groups of light naval forces were at sea north and northwest of Benghazi. They were sighted repeatedly between Benghazi and Malta. At noon Italian planes sighted a battleship northeast of Tobruk, proceeding in westerly direction, and at 1600 in the same area a heavy cruiser accompanied by five destroyers proceeding north-northeasterly at 20 knots.

Radio monitoring intercepted reports of air attacks from British ships; one of these reports came from transport SOMERSETSHIRE (see Aerial Warfare).

At 1700 a cruiser was sighted in Tobruk.

2. Situation Italy:

A report belatedly tells of the sinking of a submarine by the torpedo boat SIRTORI on 5 Dec. The submarine made an earlier but unsuccessful attack on the convoy off Capo Armi (Calabria). Likewise torpedo boat PARTHENOPE reported a submarine chase off Tagiura on 5 Dec., in the course of which a loud underwater explosion occurred and a heavy oil spot appeared, so that a mine hit on the submarine is suspected. Submarine TRICHESO reported an attack on four enemy cruisers and two destroyers on 30 Nov., 90 miles northeast of Tripoli. Results were not observed. Two torpedo boats and two Italian PT boats of the harbor patrol flotilla (MAS) were lying in wait in the Strait of Sicily the night of 6 Dec.

3. Transport of Supplies to North Africa:

Departure of cruiser CADORNA from Taranto and torpedo

boat ORSA from Suda were postponed because enemy vessels were sighted. All other transport movements according to plan. Steamers ANKARA and ISEO are scheduled to proceed to Benghazi from Taranto and Argostoli respectively on 8 Dec. to 11 Dec.. Battleship DUILIO, two cruisers and eight destroyers have been assigned to escort them beginning 10 Dec., 1400 to within 40 miles of Benghazi.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

Submarine sighted off the Gulf of Suda.

Own Situation:

Unsuccessful enemy submarine attack on steamer BELLONA in Gulf of Suda. Net barrage unit left Piraeus for Suda. So far no success in the attempts to tow U "97" lying off Phleba. Submarine U "371" has been substituted for U "97" to patrol the Dardanelles region. The 13th Coastal Defense Flotilla consisting of six ships was commissioned on 23 Nov.

Black Sea:

Enemy Situation:

Air reconnaissance reported a gunboat in the Kerch Strait at 0900; a destroyer off Sevastopol; sixteen merchantmen in Sevastopol; and seven sailing vessels in the Kerch Strait. No courses were given for the latter.

Own Situation:

The steamer CARPATI is being unloaded in Ochakov North, with the aid of makeshift equipment. Three icebreakers are being employed to make a navigational channel. The steamer TISSA is frozen fast at Nikolayev. Traffic on the Bug River is now impossible.

VIII. Situation East Asia:

Hostilities between Japan, U.S.A. and Britain began in the afternoon of 7 Dec. with a surprise attack by the Japanese.

The following locations were attacked according to reports so far received: Honolulu, Pearl Harbor, Wake, Guam, Manila and Singapore.

In Shanghai the Japanese occupied the part of the International Settlement which is situated on the waterfront. The attack on

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Hawaii is said to have caused considerable destruction and losses.

A series of wholly unconfirmed and hasty radio reports gives the following view of the situation which is as yet unconfirmed in all instances: a naval battle is said to be under way in the Hawaiian area, probably involving a Japanese aircraft carrier. The U.S. battleship OKLAHOMA is said to have been set afire and the WEST VIRGINIA sunk. The Japanese aircraft carrier is supposed to have been lost too. (Cf. War Diary 2 Dec. regarding a Japanese force of sixteen units on south course off the Japanese mandated islands). Two British cruisers are said to have been sunk during the air attack on Singapore. Landing attempts by the Japanese are supposed to be under way in the vicinity of Singapore. Further reports tell that Wake is already in Japanese hands and that Guam will be taken by the Japanese within a short time.

IX. Army Situation

1. Russian Front:

Southern Army Group:

No change in the Crimean situation. Movements on the 1st Panzer Army sector lead to the conclusion that the enemy is preparing a new attack. Isolated enemy attacks were repulsed on the 17th and 6th Army sectors. The 111th Infantry Division advanced to the vicinity of the railroad station of Debaltsevo. Temperatures down to -30° Centigrade.

Central Army Group:

On the 2nd Army sector, the 9th Panzer Division reached Marmuji on the advance. Enemy attacks were repulsed on the other sectors. Severe casualties due to the cold at temperatures down to -38° Centigrade. Enemy attacks of increasing strength against the 2nd Panzer Army in the south and the 4th and 9th Army west and north of Moscow. They forced us to withdraw our front lines in several places, and penetrated our lines at Kalinin.

Northern Army Group:

Enemy attacks had to be repulsed on the various sectors along the entire front of the Army Group.

2. Finnish and Norwegian Front:

No important events.

3. North Africa:

There are no reports from General Rommel about events on 7 Dec.. According to a report from Lt. Colonel Monsezerolo who was sent to the Cyrenaica by the Italian High Command, Gen-

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eral Rommel is forced to retreat to the Ain El Gazala position because of his own heavy losses and the numerical superiority of the enemy.

The Savona Division received orders to withdraw to Bardia.

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Items of Political Importance

Far East:

After receipt of the Japanese note, Secretary of State Hull declared that never in his whole political life had he seen a document so full of infamous lies and distortions. He said he would never have believed a government could even be capable of sending such a note at all.

The Japanese Government published a declaration to the effect that Japan considers herself at war with the U.S. and Great Britain as of 0600 on 8 Dec. 1941 Japanese time, i.e. 7 Dec. 1941, 2200 Central European time.

The President of the United States ordered total mobilization. All American Republics were notified of the Japanese attack.

The Governments of the Dutch East Indies, Canada, and Costa Rica have officially declared war on Japan. A session of both houses of the British Parliament is scheduled for noon, at which time the British Government will undoubtedly announce the British declaration of war against Japan.

Nothing definite is known at present concerning the official attitude of the Government of Thailand. However, it is said that the troops have received orders to retreat from the eastern border and that British ships are forbidden to use the territorial waters of Thailand. Thus Thailand has joined the Japanese to all intents and purposes.

Japanese troops have occupied the entire shore area of the International Settlement in Shanghai.

The German News Agency (DNB) reported the following from New York concerning the effect of the outbreak of war on relations between the U.S. and Germany: according to a letter from Secretary of State Hull, the U.S.-German treaty ratified on 25 January 1929 is still in force; this treaty stipulates that both countries pledge themselves not to undertake any warlike acts against each other or to declare war on one another without first submitting their disputes to a permanent international body for mediation.

It is hardly conceivable that the government of the U.S. seriously expects adherence to the terms of this treaty in view of the present situation.

U.S.A.:

For further discussion of the publication of the secret report of the U.S. General Staff by the Chicago Tribune, based on a diplomatic report, see Political Review No. 288, Paragraphs 6a and b. Particular attention is drawn to the detached manner in

which the U.S. High Command reckons with the elimination of Soviet Russia as a fighting power in summer 1942 at the latest and the collapse of the British Empire.

Great Britain:

According to press reports, the British Government has communicated to the Governments of Finland, Hungary, and Rumania that she considers herself at war with these countries as of 7 Dec. 1941.

Conference on the Situation with the Chief, Naval Staff.

I. It will again be possible to use the heavy cruisers ADMIRAL SCHEER and LUETZOW for warfare in foreign waters due to the change in the situation brought about by the outbreak of war in the Pacific. The Chief, Naval Staff intends to discuss this problem with the Fuehrer. The operations planned for the auxiliary cruisers should certainly be made easier by the new situation.

II. The Chief, Naval Communications Division reports about cooperation with Japan in the field of communications, which will consist mainly in making the results of our observations available to Japan. The Chief, Naval Ordnance Division points out that the aid we can give to Japan with respect to weapons, etc., must necessarily be limited because of difficulties in transportation. The Chief, Naval Staff remarks that as a matter of principle everything possible must be done to aid our ally, the Japanese Navy.

III. The Chief, Naval Staff orders a court-martial investigation of the serious irregularities which became apparent at the Wilhelmshaven shipyards during work on the destroyer JAKOBI.

IV. Report by the Chief, Naval Ordnance Division about currency difficulties in Rumania. As a result of these difficulties the Rumanian Government will make no deliveries to Germany unless payment is made in gold or foreign currency. This explains the present critical fuel oil situation.

V. According to a report from the Chief, Naval Staff, Quartermaster Division, all minesweepers and PT boats scheduled for the Mediterranean have either arrived at their ports of destination or are en route.

VI. The Chief, Naval Staff directs that preparations should be made at once for overland transfer of five small submarines to the Black Sea, without regard to doubts voiced about the advisability of the operation.

VII. The Chief, Naval Staff agrees with the Chief, Naval Ordnance Division that it would be wise to permit the French to complete construction of the battleship CLEMENCEAU. This measure

has no practical significance in view of the raw material situation, but could be regarded as having political trading value for demands of our own.

VIII. The Chief, Naval Ordnance Division reports a directive from the Fuehrer regarding conservation of non-ferrous metals in view of the now inevitable prolongation of the war.

IX. Naval Staff, Chief of Operations Branch reports concerning the ship construction program in Italian shipyards that according to the Naval Liaison Officer with the Armed Forces High Command, the Fuehrer is considering handing this project over to the Todt Ministry if the authorities now in charge do not get some practical results soon. At the moment a Fuehrer directive can be expected, however, turning over the execution of the program to the Navy. The Chief, Naval Staff renewed his earlier directions for collecting iron for ship construction in the captured Black Sea ports.

X. On the basis of observations made during his recent inspection trip in the West Area, the Chief, Naval Staff orders that plans be drawn up for acceleration of PT boat construction. Construction of these boats should have the same priority as that of submarines. The PT boats are to be treated like the submarines also in regard to personnel. The Commanding Admiral, Defenses, West considers it possible, though hazardous, to get a cruiser through the Channel once. But it is utterly impossible in the case of battleships.

The Chief, Naval Staff orders an investigation within the Navy of the organizational setup of the PT boats and torpedo boats, without participation of outside authorities. It is the opinion of the Chief, Naval Staff that the PT boats are sufficiently important to merit creation of an independent fleet command.

Special Items:

I. Concerning the Commitment of Forces:

The Naval Staff confirms to the Armed Forces High Command, Operations Staff, National Defense the proposals made by telephone by the Naval Staff, Foreign Affairs Section concerning new regulations for the commitment of forces. The following orders are regarded as sufficient:

1. All orders limiting warfare in the blockade regions are rescinded, with the exception of those applying to traffic between Goeteborg and South America.

2. Naval and merchant vessels of the United States, as well as those of Central and South American countries aligning themselves with the United States, are to be treated the same as British ones.

3. Contraband regulations apply to U.S. territory (including Chiang Kai Shek China?) and to territory of American countries which align themselves with the United States.

4. The Pan-American security zone and the territorial waters of the United States, etc., are no longer to be respected.

It is pointed out that Paragraph 3 constitutes a state of war according to international law. If war is not formally declared, Paragraph 3 should be made known to neutral nations.

II. Concerning the Aircraft Carrier GRAF ZEPPELIN:

Acting on the suggestion by the Chief of the Naval Staff, the Fuehrer has announced that he desires construction of the aircraft carrier GRAF ZEPPELIN to continue. He believes that the Air Force will be able to convert planes for this purpose, since final models of special carrier planes will not be ready before the end of 1944 at the earliest. The Naval Staff Operations Division therefore asks the General of the Air Force at the High Command, Navy, the Air Ministry, and the Commander in Chief, Air for clarification of the situation arising from the decision of the Fuehrer. Corresponding letter: 1/Skl 28173/41 Gkdos. in War Diary, Part C, Vol. V.

III. Meeting of the Commander in Chief, Navy and Admiral Riccardi:

Respecting the urgent reasons advanced by Admiral Riccardi, the Commander in Chief, Navy agrees to postpone the meeting which was to have taken place in Garmisch on 11 and 12 Dec.. The Commander in Chief, Navy proposes setting a new date for the meeting in January 1942, after the intended operations have been concluded.

The Italian Admiralty Staff had asked for a postponement of the meeting because intended operations in the Mediterranean demand Admiral Riccardi's presence in Rome.

Situation 8 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to deciphered radio messages, WARSPITE was still in the U.S. on 3 Dec., BERWICK was at sea off northern Scotland on 7 Dec., and HAWKINS reported a position west of the Azores on 24 Nov.

South Atlantic:

The U.S. destroyer CLEMSON arrived in Pernambuco on 6 Dec.. According to radio deciphering, a British heavy cruiser,

probably SHROPSHIRE, was located in the Middle Atlantic en route to Freetown. At the same time DEVONSHIRE was west of St. Helena and CARNAVON CASTLE was northwest of Capetown.

Indian Ocean:

According to an Italian report, steamers loaded with troops and war materiel destined for the Persian Gulf have been rerouted to the Red Sea in order to bring the troops and the materiel to Egypt. PRINCE OF WALES left Singapore, evidently in connection with the Japanese landings near Singora.

Pacific Ocean:

On 7 and 8 Dec. radio monitoring intercepted orders to British and American steamers to change course and keep radio silence. According to a "Times" report from New York, U.S. Navy officials are conducting an investigation as to whether Callao has been used as a supply base for Axis ships.

The result of the investigation will no doubt serve as a reason for the acquisition of U.S. bases in South America!

2. Own Situation:

Report to all blockade-runners and submarine supply ships by Radiogram 2310 that the motor ships BURGENDLAND and RIO GRANDE arrived at their ports of destination. Directive to all blockade-runners and submarine supply ships that a state of war exists between the U.S.A. and Japan, and instructions to discontinue use of the Japanese flag sent by Radiograms 0205, 0114, and 0307. Reports about enemy situation by Radiograms 1932 and 2137.

The German Naval Attache in Tokyo receives orders to take over immediately the command of all German merchant ships in the area of the Japanese bases located west of 160° and north of the equator. Orders to the ships are to go through the Naval Communications Officer at Berlin until direct connections with ships is possible from Tokyo by a special channel of communications which is to be installed. See Radiogram 1616.

The reasons for the Fuehrer's award of the Knight's Cross of the Iron Cross on 5 Dec. to the commanding officer of the auxiliary cruiser CORMORAN (ship "41"), Commander Detmers, are to be found in 1/Sk1 I k 28180/41 Gkdos. in War Diary, Part B, Vol. V.

Including the last comprehensive report to the Naval Staff in the middle of April, ship "41" had captured eight steamers with a total of 56,708 BRT. Of these ships, a valuable tanker of 11,309 BRT was brought to western France as a prize. According to further reports, the ship captured and sank three steamers of 11,566 BRT in all, in the Indian Ocean, so that the total achievement of the ship in cruiser warfare amounted to eleven steamers of 68,274 BRT. The auxiliary cruiser has fulfilled her mission brilliantly both in raider warfare and particularly in the successful battle

with the SIDNEY. This was due primarily to superior leadership of the commanding officer.

II. Situation West Area

1. Enemy Situation:

Radio monitoring intercepted seven British distress signals from the Channel and a report of a ship sinking in the Dundee area, probably from among the minesweeping forces.

2. Own Situation:

Atlantic Coast:

The motor ship BURGENLAND arrived at 1015. She was brought into the Gironde as planned. In the afternoon harbor patrol boats made a depth charge attack on a target located off the entrance to Brest harbor. Minesweeper M "1203" was sunk off Brest as the result of a bomb hit.

Group West and the Commanding Admiral, Submarines receive a directive to get BENNO ready to sail and to keep her on the alert in view of the changed situation in the Pacific. She is not to leave however, until the situation in the port of destination is cleared up and the Naval Staff gives permission to depart.

Channel Coast:

Enemy air activity in the Boulogne area at noon. Two enemy planes were shot down.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

An enemy plane was detailed to search for a German submarine 20 miles southwest of Lister.

Own Situation:

The westbound convoy and the activities of the mine-sweeping forces had to be halted because of bad weather. Salvage operations on the steamer KAI were abandoned.

2. Norway:

Enemy Situation:

Radio telephone conversation between enemy submarines indicate the intention to make a united attack on Hammerfest in

case German warships are not sighted. Submarine BOB and Russian submarine SUGAR are participating in the plan. German counter-measures apparently have been recognized since the submarines were warned of a submarine trap.

Own Situation:

The Commanding Admiral, Norway is pressing for the requested Russian interpreter. He recommends increased alert for Hammerfest and Honningsvaag and use of the search light batteries at Tromsoe Sound. Otherwise nothing to report.

On 15 Oct. the Naval Staff had ordered that operations of ships in the Arctic Ocean area will be under the command of the Commanding Admiral, Norway on the basis of directions from Group North. In accord with a proposal from the Commanding Admiral, Norway this order is revised to the effect that operations of ships in the Arctic Ocean area will be conducted by Group North.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

OKTYABRSKAYA REVOLUTSIYA is again ready for action according to testimony from prisoners. MAKSIM GORKI is also said to be ready for action again. Completion of a third 10,000 ton cruiser is possible. Two more new ships are being fitted out in Leningrad. It is possible that ten to twelve destroyers and twenty to twenty five submarines are ready for action. Detailed reports about losses of the Russian Baltic Sea Fleet and data about Russian mine barrages in War Diary Files "Barbarossa" according to Naval Staff, Operations Division, secret reports: 1/skl geh: 54 731, 54 732, 54 733.

If the testimony of the Russian prisoners is true, then the resistance of the Russian forces to the daily air raids is remarkable. The air raids were also incapable of completely destroying the capacity of the shipyards.

2. Own Situation:

In the Kolberg mine field 407 mines have been swept up to now. Another fourteen mines were exploded or salvaged, and twenty nine mines are still unaccounted for. Convoy and transport traffic according to plan. According to the report of a German steamer captain, the Norwegian steamers CHARENTE and GUDVANG have changed berth in Goeteborg harbor. Both ships are under steam and have a full complement of personnel aboard, so that we can count on their early departure. There are 1,300 prisoners from the Russian steamer STALIN in Reval and vicinity. They are at the disposal of the Finnish Naval Command, which has been asked to remove them.

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For information concerning replacements for the motor-minesweepers which are to be transferred from the Deputy Admiral, Submarines to the Commander, Minesweepers, North Sea as ordered by Group North, see Radiogram 1526.

For directive from Group North regarding rescission of the order requiring ships to travel in convoy see Radiogram 1246. For allocation of the hospital ships in the zone of Group North see Radiogram 1600.

V. Submarine Warfare

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Submarine U "130" sighted a convoy consisting of only two steamers and three corvettes. The convoy was at first proceeding westward and then northwestward, presumably making for Iceland. An attack on the convoy had to be abandoned because of increasingly bad weather. On her return trip, submarine U "131" sank an unescorted steamer of 6,000 tons on 6 Dec. west of Rockall Bank. For a further report on the situation see War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Ten enemy pursuits were shot down by our own pursuit planes, and three more enemy planes by anti-aircraft in defense against daylight raids. Armed reconnaissance sank one destroyer, two steamers of 4,000 BRT each, and another steamer of 3,000 BRT in the sea region off Dundee. Sixty planes took part in an attack on Newcastle during the night of 8 Dec.

2. Mediterranean Theater:

Five JU 52's and 9,000 liters of fuel were burned in an enemy attack on the Derna airport. Four JU 52's and three other planes were damaged.

It has been confirmed that three enemy planes were shot down by German fighters, two by anti-aircraft, and five by Italian fighters. Seven enemy fighters were probably shot down in addition.

For results of air reconnaissance see Enemy Situation, Eastern Mediterranean.

The following directive from the Air Force High Command, Operations Staff was sent to the X Air Corps:

a. The X Air Corps is to assure accelerated supply of pursuit planes to Africa in every way possible. Adequate pursuit cover is of decisive importance.

b. As far as possible, our forces at the Sollum front are to be supplied by air.

c. Minelaying at Tobruk is to be continued.

3. Eastern Front:

Only limited activity because of bad weather. For a compilation of the successes of the 4th Air Force in the Black Sea area see daily situation report.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

According to an Italian report which again concerns the transport RANGITATA, this ship is supposed to have entered the Mediterranean after all. The success of Nightfighter Group, Sicily on 6 Dec. (see War Diary 7 Dec.) is linked with the RANGITATA. The 7th Infantry Regiment as well as Air Force personnel is said to have been aboard. The entire surface of the airport at Gibraltar, with the exception of the take-off strip, was covered with planes on 6 Dec.

Central and Eastern Mediterranean:

The group of cruisers which was sighted on 7 Dec. between Malta and Benghazi arrived in Malta during the night of 7 Dec., according to an Italian report. One cruiser was damaged by air attack. Radio monitoring determined further movements between Alexandria and the Cyrenaica. Air reconnaissance confirmed this by sighting several units. Among others, a force of one battleship and three destroyers was located 60 miles northeast of Marsa Matruh. Another force of two auxiliary cruisers, one steamer and three destroyers was sighted 20 miles off Alexandria. Submarines were sighted off Cape Matapan and Argostoli.

2. Situation Italy:

Enemy air raids on Bardia in the evening and night of 6 Dec.. An enemy air raid on Catania the evening of 7 Dec. resulted in no damages to military installations. The underwater explosion followed by an oil spot on the water, which the torpe-

do boat PARTHENOPE reported after her submarine chase on 5 Dec. (see War Diary 7 Dec.) occurred in the area of the German mine barrage off Tripoli. Possibly this means a success of this mine field.

Benghazi reported shelling by enemy naval forces at 0130.

3. Transport of Supplies to North Africa:

There are no reports of arrivals of merchantmen in North African harbors. Two destroyers which were to proceed to Derna arrived in Navarino the evening of 7 Dec.. The total supplies transported by units of the Italian Navy between 12 Nov. and 3 Dec. amount to 1,247 tons of fuel, twenty three tons of supplies for the Army and thirty tons for the Air Force.

These figures prove the inadequacy of the supplies transported by naval vessels. The fact that hardly any regular transport vessels have reached their ports of destination during the last few days fully explains the difficult situation in which the X Air Corps and the divisions at the Sollum and the Marsa Matruh fronts find themselves.

Losses among the German troops who were aboard the 51st Transport Squadron fortunately amount to only sixteen men.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

At the end of September a message from the French Naval Attache to the British Naval Attache in Istanbul was intercepted by our radio deciphering service. According to this message, the Turks planned to lay a deep mine field off the Dardanelles. The Commander in Chief of the Mediterranean Fleet did not think this desirable, however, and proposed relying on sub-chasers for submarine defense. Protection against surface forces would not be necessary as long as control of the eastern Mediterranean is in British hands.

Intelligence reports the presence of a submarine net in the Dardanelles between Naghara and Akban off Kilia.

Own Situation:

Nothing to report.

Black Sea:

Enemy Situation:

Air reconnaissance reported a large naval vessel in the harbor of Sevastopol. Otherwise nothing new.

Own Situation:

Minelaying at Constanta was executed as planned by mine-layer MURGESCU.

Otherwise nothing to report.

VIII. Situation East Asia:

According to Japanese statement, U.S. battleships WEST VIRGINIA and OKLAHOMA and two cruisers were sunk at Pearl Harbor. Two transport steamers were sunk west of San Francisco. One British monitor was sunk in the vicinity of Shanghai.

The British Settlement in Shanghai is in Japanese hands. The U.S. gunboat WAKE was captured by the Japanese.

Continuous heavy air raids are being directed against the Philippines. Parachute troops are said to have been landed also. Guam is blockaded by Japanese ships; the Midway Islands are said to be occupied by the Japanese.

The Philippine cable has been cut.

Hong Kong is under attack from air and land.

The Japanese have occupied large parts of southern Thailand. One of the landings directed against the Malay Peninsula took place just north of the Malay-Thailand border. The British airdrome at Kota Bharu was attacked and taken. Padang Tabek is mentioned as the location of another landing. Japanese attacks on Sabak are said to have been repulsed by British troops. Singapore itself sustained two severe air raids.

IX. Army Situation1. Russian Front:Southern Army Group:

No change in the situation in the Crimea. Enemy attacks on the 1st Panzer Army diminished on 8 Dec.. Strong enemy attacks on the 17th Army sector were partially repulsed by counterattacks. The 6th Army gained some ground in the attack of the LV Army Corps. Strong enemy attacks on the left flank of the Army were repulsed.

Central Army Group:

Seven enemy attacks west of Yelets forced the divisions of the XXXIV Corps to withdraw. On the 2nd Panzer Army sector,

the 3rd Panzer Division also had to take up new positions east of Tula. Strong enemy attacks west and north of Moscow resulted in retreat of advanced sections of the 4th Army. North of Klin the enemy succeeded in breaking through the positions of the 36th Motorized Infantry Division and the 1st Panzer Division and to inflict severe losses on our forces.

Northern Army Group:

At Tikhvin strong enemy pressure also caused retreat of the front lines in the area west of the city, which thus fell again into the hands of the enemy. At the encirclement front at Leningrad strong attacks and attempts to break through were repulsed.

2. Finnish and Norwegian Front:

The Karelian Army reached the end of the Stalin Canal with the capture of Povyenets. The enemy force encircled west of Medvezhya Gora is being destroyed. Nothing to report from the other sectors of the front.

3. North Africa:

The enemy is pushing with moderately strong forces out of the Bir el Gubi area and the area east of El Adem. Large concentrations of motor vehicles lead us to expect an imminent attack toward the west from the Tobruk fortress. Retreat of the Panzer Division to the Ain el Gazala position lasted until evening because the Gambarara Corps did not provide cover at the time directed. One enemy group is proceeding in the direction of Agedabia and has occupied Shabi (130 km. northwest of Gialo). Two British armored cars shelled an Italian motor vehicle on the Via Balbia between Sirte and En Nofilia on 6 Dec.

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Items of Political Importance

Great Britain:

In a speech before the House of Commons on 8 Dec., Churchill stated that the British declaration of war on Japan should precede the American one since British territory was attacked at Malacca. Hitler's madness has poisoned the mind of the Japanese. He is the one who has to be wiped out as the root of all evil. The extent of the new danger must not be underrated. Part of the war materiel for Russia will now have to be manufactured in England. The new conflict will be very difficult and will probably last a long time, but Britain knows that four fifths of the earth's population is on her side.

The French Committee of National Liberation, headed by De Gaulle, declared war on Japan.

U.S.A.:

In his message to Congress, President Roosevelt dealt exhaustively with the events of 7 Dec.. He declared that the American people are aware that the life and safety of the nation are at stake. However long the war may last, the righteous forces of America will be victorious. As Commander in Chief of the Armed Forces he has ordered all necessary measures to be taken and he asks Congress to declare that a state of war exists between the United States and Japan since Japan's cowardly attack on 7 Dec.

The Senate voted 82 to 0 and the House of Representatives 388 to 1 for the declaration of war, which was signed by President Roosevelt.

The press now announces that Hull had proposed a non-aggression pact in his memorandum to Japan on 26 Nov. between the U.S., China, Russia, the Dutch East Indies, Thailand, and Japan. Such a pact would completely have destroyed Japan's freedom of action.

Central America:

Haiti, Honduras, Nicaragua, and San Salvador declared war on Japan. Declarations of war from Guatemala, Cuba, and the Dominican Republic are said to be imminent.

Brazil:

President Vargas released a declaration of solidarity with the United States. Confidentially he let the German Ambassador know that he would not think of a break in the relations with Germany, even under U.S. pressure.

Mexico:

The Government has broken diplomatic relations with Japan and

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will ask Congress for a declaration of war. Measures were taken for collaborating with the United States in coastal defense against Japanese naval forces.

China:

The Chungking Government declared war on Germany, Japan, and Italy.

U.S.S.R.:

The press shows great reserve in its comments on the outbreak of war between Japan and the United States.

Japan:

According to Domei, the Japanese answer on 26 Nov. made it clear that the fundamental attitude of the United States during the conferences was false. The U.S. proposal for a multilateral non-aggression treaty is incompatible with the real situation in Eastern Asia. The economic pressure applied by Britain and the United States is less humane than the use of weapons. The imperialistic exploitation by Britain and the United States is the curse of East Asia. Japan could not allow the continuation of U.S. assistance to Chiang Kai Shek. Japan cannot tolerate intrigues which would prolong the war between China and Japan by uniting the anti-Japanese states.

The imperial war manifesto declares that Japan's war aim is the creation of a lasting peace in East Asia.

Conference on the Situation with the Chief, Naval Staff.

I. Report by Naval Staff, Chief of Operations Branch about lifting all restrictions on the use of weapons in naval and air warfare against naval and merchant shipping. The corresponding directive from the Fuehrer reads as follows:

"1. All orders limiting use of weapons in the defined blockade areas (Atlantic Ocean, Mediterranean Sea, Black Sea, Arctic Ocean) are rescinded. Regulations concerning passage of Swedish ships (Goeteborg-South America traffic) remain in force.

"2. The United States and all those countries of Central and South America who align themselves with the U.S. against Germany or her allies are now to be regarded as enemies. The same regulations are applicable to their naval and merchant vessels as against British ships. The contraband regulations are in force against these states. Territorial waters of these states are no longer to be respected.

"Appendix: At present the following states are considered as having aligned themselves with the U.S.: Uruguay, Panama,

Costa Rica, Nicaragua, Honduras, Haiti, San Salvador, and Dominican Republic.

"3. The so-called Pan-American Safety Zone is no longer to be respected.

"4. The ships of those states which remain neutral, especially the ABC states of South America (Argentina, Brazil, Chile Tr.N.), are to be treated until further notice according to the international 'Rules Governing Prizes', so long as they are clearly marked as neutral.

"5. Paragraph 2 also applies to Chungking China since this country has declared war on Germany."

The Chief, Naval Staff orders immediate distribution of the above directive to all front stations, which is effected by Naval Staff, Operations Division. Copy of the teletype under 1/Skl Ic 28519/41 Gkdos. in War Diary files "Directives for Warfare against Merchant Shipping".

II. After hearing the report of the Naval Staff, Quartermaster Division, the Chief, Naval Staff orders that only one of the three anti-aircraft sections in the area of Gdynia, Pillau, and Danzig may be transferred to Brest. The defense of Gdynia is not to be weakened.

III. The Chief, Naval Staff, Quartermaster Division reports that the fleet is practically paralyzed as a result of the critical fuel oil situation, except for a few possible days of maneuvers.

IV. A secret resume to the Armistice Commission reports the sinking of a British steamer off East London by the submarine GLORIEUX as a French reprisal measure.

V. The Naval Staff considers it necessary to reach an agreement with the Japanese on the following points:

1. Mutual exchange of intelligence. All reports important to the treaty partner for the conduct of the war are to be transmitted: enemy communications, operations executed, successes achieved, and estimates of the situation.

2. The treaty partner should be informed of all plans that may be of importance to him for the conduct of the war. If necessary, the actions planned should be synchronized.

3. In connection with Paragraph 2 the following should be arranged when German ships operate in the Indian or Pacific Ocean: agreements as to areas of operation, mutual support, radio service, supplies, etc.

4. Communications from Navy to Navy should be channelled by way of the attaches.

5. Continuation of the crude rubber transports. Supply of fuel to the blockade-runners.

The Chief, Naval Staff agrees that a teletype to this effect be sent to the Armed Forces High Command, Operations Staff, Planning Section.

Situation 9 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The Portuguese Government is considering an embargo on Portuguese shipping to the United States and other states at war with Japan.

According to a report from the Naval Attache in Washington, from 1 Jan. 1941 until the end of November three American battleships, six cruisers, and nineteen destroyers were launched; two battleships, three aircraft carriers, eighteen cruisers, eighty destroyers, and twenty five submarines were put under construction. (For ships commissioned during this period see War Diary 5 Dec..) The Secretary of the Navy announced on 5 Dec. that Britain informed the United States in advance that she is sending out a new Far Eastern Fleet, including two battleships. He refused to answer the question whether this would mean that as a consequence U.S. warships would be transferred from the Pacific to the Atlantic. In the new budget of about eight million dollars for the Armed Forces, about one billion dollars are earmarked for the Navy. Special items in the naval budget are construction of four-motored naval transport planes and conversion of merchantmen to auxiliary aircraft carriers. Other items include armament for 1,000 merchantmen and construction or purchase of 400 small vessels for minesweeping and harbor patrol services. Britain returned thirty five of the seventy five borrowed tankers in October and November; the rest is to be returned this month.

This report unfortunately confirms the fact that Britain's supply problem has improved.

2. Own Situation:

Enemy report on the situation by Radiogram 2334.

II. Situation West Area1. Enemy Situation:

According to radio deciphering, British air reconnaissance reported our three large ships as still lying in Brest on 6 Dec.. According to air reconnaissance, twelve steamers in convoy were sighted east of Falmouth on a westerly course.

2. Own Situation:Atlantic Coast:

Blockade-runner BURGENLAND arrived in Bordeaux. The home front has thus once again received most valuable goods, particularly rubber, and also tin and other critical raw materials.

Regarding the loss of U "206" Commanding Admiral, Submarines suspects that a mine was the cause, see War Diary 6 Dec.. Group West reports that routes leading around the mine fields as well as the limits of the fields had been established in cooperation with, and in accordance with the requirements of, the Commanding Admiral, Submarines. Even before the defense units were transferred to the east the Commanding Admiral, Defenses, West was in a position to keep only known routes under constant control. For submarine test dives it would be useful to decide on areas which can be kept under constant observation by the Commanding Admiral, Defenses, West. The forces of the Commanding Admiral, Defenses, West will be relieved to a certain extent as soon as destroyers and torpedo boats become available to the West Area in January (see Radiogram 0100).

Radiogram 1907 contains a directive from the Naval Staff to the Commanding Admiral, France and the Commanding Admiral, Submarines with copies to Group West, Supply Ship Unit, Branch West, and Station East of the Supply and Transportation Office of the Armed Forces Overseas regarding preparations for the reception of the crews of ship "16" and PYTHON. These will probably arrive around 26 Dec.

Minesweeper M "1203" was sunk by a bomb hit on 8 Dec.. Nine men were killed, among them the commanding officer.

Channel Coast:

Mine-exploding vessel "143" was damaged on route "Rosa" between Boulogne and Dunkirk after successfully removing nine mines, and is laid up for repairs.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

Lively minesweeping off the eastern coast. Six mines were swept southeast of Southwold.

Own Situation:

According to a report from the Commanding Admiral, Defenses, North the steamer MADRID (ship used for living quarters by the 28th Submarine Flotilla) received a bomb hit off Den Helder. One enemy plane was shot down by a patrol vessel. Convoys proceeding according to plan. Light enemy air activity off the Frisian coast and at Hook of Holland during the morning and afternoon.

2. Norway:

Enemy Situation:

Aerial photography located eighty two freighters with a total tonnage of approximately 100,000 BRT and 160 freight barges in Archangel on 7 Dec.. This remarkably large aggregation of ships is obviously due to the ice conditions.

Own Situation:

The supposedly hostile submarine which was shelled off Kirkenes on 7 Dec. was our own motor-minesweeper R "160". Off Risoer an engine exploded aboard the CHRISTIAN RADICH, which is used as floating naval quarters. Two men were killed and several badly injured. The steamer STEINBECK (2,185 BRT) sank in the western entrance of Tana Fjord after an explosion. The cause is still undetermined. Twelve men were lost. The Norwegian steamer BJOENN (5,500 BRT) with a cargo of 9,000 tons of ore was bombed by enemy planes and caught fire in the latitude of Bud. The ship had to be abandoned because of bad weather. Five Norwegians are missing.

The Commanding Admiral, Norway gives the following directive to the Admiral, Arctic Ocean and the Admiral, Arctic Coast concerning priorities in minelaying in the Arctic Coast area: anti-submarine barrages off Petsamo in the Boek and Kjoer Fjords are of primary importance, followed by a mine barrage in Kola Bay. Copy of the directive 1/Skl 28592/41 Gkdos. in War Diary, Part C, Vol. IIA.

3. Arctic Ocean:

It is necessary to supplement reconnaissance and intelligence reports concerning the waters between Scotland and Iceland, the Denmark Strait, and the waters between these straits. Submarines and planes have not yet been utilized to the fullest possible extent for this purpose. It would therefore be useful to give to such units in these regions certain definite tasks, which can be accomplished on the side without interfering with their principal missions. The Naval Staff charges Group North to carry on such continuous, systematic reconnaissance by submarine and plane in the area where the enemy might break through.

Group North is ordered to contact the 5th Air Force immediately in this connection. The Naval Staff will request the cooperation of the Commanding Admiral, Submarines. Corresponding directive 1/Skl I op 2083/41 op Gkdos. Chefs. in War Diary, Part C, Vol. IIA.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

An Estonian captain who escaped from Suursaari reports that evacuation of the Russian islands in the inner Gulf of Finland started on 1 Dec.; four ships and two barges are engaged in this operation. Continuous explosions were observed. A captured mine chart shows the location of six Russian mine fields. A copy of the report from Intelligence Sub-Station Reval, 1/Skl 54843/geh., is in War Diary files "Barbarossa"

A Russian merchantman, converted into a minelayer, was sunk at the beginning of October at 59° 58' 2" N, 29° 51' 5" E on the same day the MARAT was destroyed. (See Radiogram 1800.)

2. Own Situation:

Supply convoy Stettin-Vasa, consisting of three ships with 1,069 men and 21⁴ planes, has left Stettin.

Group North has opened certain routes north and east of Libau to merchantmen sailing alone. See Radiogram 1203.

The Naval Staff has given permission for ships carrying men on furlough to travel to Finland outside the Swedish inter-island route. See Radiogram 2011.

V. Submarine Warfare

1. Enemy Situation:

The Fleet Commander, North Atlantic sent three urgent radiograms after 1700 concerning the location of enemy forces. A radiogram giving operational instructions to units of the Home Fleet followed.

Lively air activity in the Gibraltar area. Radio monitoring intercepted a report from a merchantman about sighting a submarine off Ascension Island, and subsequently a warning against submarines issued for this region.

Steamer ST DENIS (2,435 BRT) reported an attack by two submarines in the western Mediterranean. The Naval Attache in Istanbul reports that according to a Japanese source the Russian icebreaker

MAKAROV left the Dardanelles on 8 Dec.

2. Own Situation:

The British steamer ST DENIS, inadequately marked as a French vessel, was sunk by submarine U "652" south of Mallorca because she sent a submarine warning. It is learned from Italian radio monitoring, that the French Admiral, South sent a destroyer and several planes to aid the ship. (See Radiogram 2230.)

The Commanding Admiral, Submarines received notice from the Naval Staff that "Bernardo" is ready to supply four submarines. The utmost precautions are urged because of the phase of the moon. See Radiogram 1616.

Further reports about the submarine situation in War Diary, Part B, Vol. IV.

The following submarines are accounted for as of 1 Dec. according to a list from the Representative of the Submarine Branch on the Naval Staff:

- 86 operational submarines
- 40 submarines at the Submarine Acceptance Command
- 54 submarines in training and getting ready for operations
- 55 training submarines

Thus there is a total of 235 submarines in active service.

Twenty one new submarines will probably be commissioned in December. Twenty three submarines were commissioned in November, but only seven of these went into the operational zones.

Normally only about forty submarines at a time should be in training for operational duty, and about twenty new submarines should go to the operational zones every month. The unusually unfavorable balance of both these categories in November is the result of the following:

- a. The great shortage in torpedo recovery vessels ready for action.
- b. The repeated failure of practice warheads on torpedoes.
- c. Certain limitations in the training possibilities resulting from the eastern campaign.
- d. The unfortunate delays in the time required for final fitting operations.

The Submarine Branch of the Naval Staff expects that an improvement of the unfortunate disparity between the large number of submarines constructed and the number ready for operations will result from the measures which have been taken.

The Naval Staff, Quartermaster Division, Fleet Branch reports the following concerning the overland transfer of submarines en route to the Black Sea from the Elbe to the Danube on Kuhlemeyer railroad cars: The 250 ton submarines can be considered for this transport. The engines would have to be taken out and the conning towers taken off the hulls. If the submarines are transported by river, pontoons would be needed, and it would be necessary to blast a Danube bridge which is being preserved as a historical monument. The total time required for the transfer is estimated at ten to twelve months.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

For results of reconnaissance see Enemy Situation, Warfare in the Mediterranean.

3. Eastern Front:

Only light activity in support of the Army.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

According to Italian reports and radio monitoring, HERMIONE and several destroyers were at sea in the western Mediterranean, where three more destroyers are said to have joined them. According to an unconfirmed Italian report, thirty ships are supposed to leave Gibraltar for Alexandria in a convoy within the next few days.

Central and Eastern Mediterranean:

According to radio monitoring, the Commander in Chief, Mediterranean Fleet and heavy British units are said to be in Alexandria. Light forces were located between Alexandria and Cyrenaica. German air reconnaissance in this region observed a cruiser and several destroyers and merchantmen, obviously the regular supply vessels for Tobruk. Three cruisers and four destroyers were at Malta. A large ship with two smokestacks was sighted from the south coast of Crete. Submarines were sighted off Argostoli, off Cape Matapan, Navarino, Zante, and northeast of Punta Alice.

According to an Italian report at 0200, forces were operating against Benghazi during the night, among them probably the flagship of the 1st Battleship Squadron. Details are missing. At noon radio monitoring intercepted a message about an air attack from a force which apparently was entering Alexandria.

A report from a Spanish source about the part of the French Fleet which has been lying at anchor in Alexandria since the armistice is in News Analysis No. 44, "Foreign Navies" series of the Naval Staff, Intelligence Division.

2. Situation Italy:

The reported bombardment of Benghazi of 8 Dec. was an error resulting from a mistake in the Italian code. Enemy air attack on Bardia harbor on 9 Dec. but no report of damage.

3. Transport of Supplies to North Africa:

Also on 9 Dec. no supply ships arrived in the North African harbors. Two destroyers unloaded in Derna. Two torpedo boats did not leave port because of bad weather. The cruiser CAVORNA also put into Argostoli for protection from the weather.

The Admiral, Aegean Sea is to provide a torpedo boat or an auxiliary sailing vessel to take supplies arriving by transport submarine at Bardia to the Sollum front. Group South suggests use of the naval barges available at Benghazi.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

A submarine was sighted 45 miles north-northeast of Suda the evening of 8 Dec.

Own Situation:

The coal situation in Piraeus forces us to the utmost conservation. The most important task at the present time is the transfer of troops to and from Crete. All other tasks have to take second priority. For corresponding directive from Group South, see Radiogram 1320.

Black Sea:

Enemy Situation:

For intelligence reports concerning supposed Russian landing attempts and the landing craft made ready for such an operation, see Radiogram 1919.

Own Situation:

Situation at sea uneventful. For attitude of Group South to a transfer of German Armed Forces from Rumania, see 1/Skl 28603/41 Gkdos., War Diary, Part C, Vol. XIV.

VIII. Situation East Asia1. Enemy Situation:

Radio monitoring intercepted a general message from Bandoeng about closing areas in the eastern Pacific to all shipping and fishing. For chart with plotted areas and radio intelligence report 1/Skl 54768/geh. see War Diary, Part C, Vol. XV.

According to Reuter, U.S. troop transports, GENERAL HUGH SCOTT (12,579 BRT) and PRESIDENT HARRISON (10,508 BRT) were lost by Japanese attack in the Pacific. Daventry reports that several Japanese planes were sighted on the Pacific coast of the United States, but no bombs were dropped. Especially heavy daylight raids are said to have taken place on Manila. British naval vessels (destroyers) are said to have been damaged during intensified Japanese air raids on Hong Kong.

The Japanese troop movements into Thailand continue. Bangkok is being occupied by Japanese troops.

The Japanese achieved certain successes on Malacca.

2. Situation Japan:

According to an authoritative Japanese report, PRINCE OF WALES and REPULSE were sunk by air raids east of Malacca.

This report which first came from a French source still needs authoritative confirmation. Direct Japanese reports are unfortunately very scarce, but it is certain that the Japanese successes in the first two days of the war are extraordinary. The Naval Air Force and the Navy as well as the Army have dealt crushing blows to the enemy.

The Naval Attache at Rome sends the following report which the Japanese Naval Attache made to the Italian Undersecretary of the Navy: "The material strength of the Japanese Fleet has been kept highly secret up to this time. Even Japanese naval officers are not permitted to inspect the most modern units. Japan has approximately the same number of battleships as America.

"Japanese aircraft carriers are listed at 26,000 tons, but really are 45,000 tons. Modern submarines have a surface speed of more than 20 knots so that they can be used as fleet escorts. Torpedo plane units have been trained systematically and amount to a considerable number. The Japanese Fleet amounts to about 85% of the

American total. Training of the Navy has been under way for twenty years for war against the United States, for five years also for war against Britain. The Japanese Navy saw this war coming for years and will fight to the finish. The Navy has no doubt about victory when it meets the U.S. Fleet. The only problem is whether the U.S. Navy will come out to fight in the central Pacific. Japan's oil supplies are sufficient for fourteen months. Supplies of rice and fish are wholly adequate. Provided the war is of short duration there can be no doubt of success."

IX. Army Situation

1. Russian Front:

Southern Army Group:

The 1st Panzer Army repulsed strong enemy attacks before they could gather momentum. New attacks are to be expected. No change in the situation at the 17th and 6th Army sectors.

Central Army Group:

Strong enemy attacks at the 2nd Army sector forces us to pull back our lines again. Enemy attacks at Kalinin were stopped after all available reserves were thrown in.

Northern Army Group:

Strong enemy attacks against our new positions west of Tikhvin were repulsed.

2. Finnish and Norwegian Front:

No change in the situation.

3. North Africa:

Reports of the day were not received.

10 Dec. 1941

Items of Political Importance

U.S.A.:

In a radio address Roosevelt declared that the American people will have to give up once and for all the illusion that they can isolate themselves. Japanese occupation of Guam, Wake, and Midway is to be expected. The United States Government has known for several weeks that Germany told Japan she can share in the war loot only if she attacks the United States. Germany and Italy consider themselves at war with the U.S. without even bothering about a formal declaration. The U.S. hopes to remove the Japanese threat. Victory over Japan will be of little value if the rest of the world is ruled by Hitler and Mussolini. The war will be a long, hard struggle.

An official directive classifies German, Italian, and Japanese citizens as enemy aliens. Numerous citizens of the Axis Powers were arrested.

The isolationist America First Committee under the leadership of Lindbergh and Wheeler, and the United Mine Workers under the leadership of Lewis have declared their unconditional support in the war against Japan.

An investigating committee of the House of Representatives on a tour of inspection through South America uncovered additional improper practices of British firms in Latin America which were detrimental to U.S. exports. It also protested against British censorship of the U.S. mail in Trinidad and Jamaica.

A congressional delegation travelling through England was presumably convinced of the excellent morale. As a result of a five months' respite from air raids and an increased food supply the population is free from worry.

It seems doubtful whether this opinion still applies to the present situation.

Japan:

An official Japanese spokesman declared that Soviet-Japanese relations are governed by their present neutrality pact. Japan of course expects Germany to declare war on the United States. According to a report from the German Ambassador, it can be regarded as a fact that not even the Japanese Deputy Foreign Minister was informed of the outbreak of hostilities with the United States.

In looking back on the past policies of the Japanese Government, it is apparent that the resolute leadership which led to the events of 7 Dec. was by no means shared equally by all elements of the

Government. On the contrary, it was the success of a minority in which the gratifying unanimity of the Army and the Navy was the decisive factor. It will be interesting to learn later on how these forces were able to prevail. But even today there can be no doubt but that the clumsy tactics of Roosevelt played into their hands.

Turkey:

A press report notes a strong tendency by Turkey again to side with Britain. After he again takes over the affairs of state, Prime Minister Saydam will appear before the National Assembly and reaffirm Turkey's intentions to fulfill the obligations of her pact with Britain.

Although the interpretation is no doubt correct, it seems unlikely that this tendency will produce tangible results in the near future in view of the new situation. Aside from temporary adjustments varying with the course of the war, Turkey's ultimate policy will be to align herself with whichever side offers the greatest advantages on the basis of unimpaired sovereignty and possessions.

The Turkish Government resolved to extend Turkish neutrality to include the Pacific conflict.

South America:

It is possible that, on the basis of the Havana Resolutions, Argentina, Uruguay, and Peru will consider the United States a nonbelligerent. According to a statement released by the Vichy Telegraphic Service (OFI), the United States have proposed that a conference of the Foreign Ministers of the 21 American Republics be held at Rio de Janeiro with the purpose of establishing the measures for mutual aid which were proposed at the Havana conference.

Conference on the Situation with the Chief, Naval Staff.

I. In view of the new situation the Chief, Naval Staff agreed to detail six large submarines for a surprise action along the American coast.

II. The Chief, Naval Staff, Quartermaster Division discusses acquisition of iron for shipbuilding in the Black Sea ports and construction of transport vessels in Italian shipyards. The Ministry of Transportation estimates that construction of eight ships can begin as soon as the necessary iron arrives. The prefabrication of plates and ribs in German ironworks will reduce construction time considerably.

III. The Chief, Naval Staff, Communications Division reports that since the outbreak of the war in the Pacific the U.S. Navy has replaced its outmoded and extremely simple code with an entirely new one which we cannot decipher for the present.

Situation 10 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

No reports.

South Atlantic:

A U.S. destroyer arrived in Para on 8 Dec.. A deciphered radio message states that sixty seven survivors, among them four officers, of the cruiser DUNEDIN landed in Trinidad. Two light cruisers were in Capetown on 1 Dec.. According to a statement by the Argentine Foreign Minister, the United States is regarded as a nonbelligerent and may continue to use Argentine harbors.

Pacific Ocean:

According to radio monitoring, all British and Allied merchantmen in the area south of Australia are ordered to steer zig-zag courses. An Australian radio station announced that all lights and radio beacons along the Australian coast are to be extinguished without further notice. U.S. radio stations sent a similar warning concerning the U.S. coasts.

2. Own Situation:

The German Naval Attache at Tokyo forwarded a request from the Japanese Navy that the KULMERLAND await the arrival of Japanese escort forces 2 miles west of Hinomisaki. U.S. submarines are said to have been detected off Yokosuka. A corresponding message was sent to KULMERLAND by Radiogram 2103.

Report on enemy situation sent by Radiogram 1459.

See War Diary, Part C, Vol. I for the operational order from Naval Staff, Operations Division for the second undertaking of auxiliary cruiser ship "10" according to 1/Sk1 I K 1892/41 op Gkdos. Chefs.

II. Situation West Area1. Enemy Situation:

No reports.

2. Own Situation:Atlantic Coast:

For proposal from Admiral, France concerning command problems arising from use of decoy ship SILU see Radiogram 1300. SILU will be employed to mislead the enemy about the arrival and departure of heavy naval vessels.

Channel Coast:

Light damage resulted from a low level enemy air attack on a merchantman off Le Havre on 9 Dec.. Otherwise nothing to report.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

Lively minesweeping activity along the eastern coast. Four mine detonations in the outer Thames estuary.

Own Situation:

Bad weather interfered with the west convoy. Other convoys proceeding according to plan. There are eleven men missing and one dead aboard the floating naval quarters MADRID (see War Diary 9 Dec.). Sabotage is suspected. The boatfalls and firehoses had been cut into. During the day isolated enemy air activity in the area of the Frisian Islands and between Heligoland and Wesermuende. Low-level air raid on Wilhelmshaven, Wesermuende, and Cuxhaven. Damage negligible.

2. Norway:Enemy Situation:

Nothing to report.

Own Situation:

The 8th Destroyer Flotilla, including five destroyers and the TANGA, left Tromsø for Kirkenes.

The Commanding Admiral, Norway reports that the completion of the batteries on the Arctic Coast cannot be counted on in the near future, since due to the transport and unloading situation the amount transported has been reduced to one fourth.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

The following information was obtained by interrogating prisoners of war:

All personnel reserves of the Baltic Fleet had been called to active duty by the middle of November, and were assigned to shore duty for the defense of Leningrad. The sudden halt in the German offensive on Leningrad at the beginning of October supposedly came as a surprise to military circles in the city. It is said that the city would have fallen had the offensive continued for another day or two. See War Diary files "Barbarossa", 1/Skl 55026 and 55027 geh., for statements by the captured radio technician of the cruiser KIROV concerning locations of submarines, construction of new cruisers, and locations of artillery batteries, as well as Captain Evdekimov's statement concerning possible effects of our own propaganda directed against the Russian population.

2. Own Situation:

According to a report from the Commanding Admiral, Baltic Countries, the transport STALIN did not run into the Juminda mine barrage but into another mine field. Patrols in the Skagerrak were hindered by bad weather. Steamer HELGOLAND was towed into Vejle after striking a mine off Vejle Fjord.

V. Merchant Shipping:

A 24 hour working day is to be introduced in the United States for ship construction. All United States ships at sea have received orders to proceed to a safe harbor at once. All Soviet ships en route from the U.S. West Coast to the Russian Siberian coast were called back to America. The Japanese motor ship TATUTA MARU, en route to the U.S.A. with numerous U.S. nationals aboard, is at present between Honolulu and California.

Italy sold Brazil eight of her ships caught in Brazilian harbors, 60,000 BRT in all, with option to repurchase them after the war. The ships are to be used in traffic between Brazil and American countries not at war with Italy.

VI. Submarine Warfare1. Enemy Situation:

Radio monitoring located a British ship 150 miles northwest of the Hebrides and intercepted a message from the convoy control station in Hull to Reykjavik that departure of convoy 22 has been postponed until 11 Dec. at 0700. The U.S. steamer OREGON reported itself sinking 200 miles east of New York.

2. Own Situation:

Because of bad weather contact could not be maintained with the convoy on eastward course west of the Rockall Bank. One steamer of 7,000 BRT was sunk and one tanker was hit. For further report on the situation see War Diary, Part B, Vol. IV.

Due to the general lack of forces it will not be possible until further notice to augment the minesweeping forces of Commanding Admiral, Defenses, West, as the Commanding Admiral, Submarines requested in connection with the loss of submarine U "206". The Commanding Admiral, Submarines was advised of the situation by Radiogram 1030, with special reference to the opinion of Group West (see War Diary 9 Dec.). Copies were sent to Group West and the Commanding Admiral, Defenses, West.

The Commanding Admiral, Submarines requests immediate release of the large submarines now at sea and of those which will be ready to leave their harbor in the next few days, in all twelve submarines. Plan: Operation "Paukenschlag" off the American coast. Medium submarines can fulfill operational requirements in the Gibraltar area.

The Naval Staff is releasing six large submarines which are to be taken from those now leaving their bases. Release of the large submarines already in the operational area west of Gibraltar is out of the question. Corresponding teletype, 1/Sk1 Iu 2105/41 op Gdkos. Chfs., in War Diary, Part C, Vol. IV.

VII. Aerial Warfare1. British Isles and Vicinity:

Armed reconnaissance sighted and unsuccessfully attacked a convoy of thirteen steamers east of Cromer.

2. Mediterranean Theater:

An enemy naval force shelled Derna at 0730. Italian dive bombers attacked and reported five hits on a cruiser and one hit on a destroyer.

3. Eastern Front:

No news from the Army front because of defect in connection. See Situation Black Sea for results of reconnaissance there.

4. Special Items:

The Commander in Chief, Air has no objections to the French request to the German Armistice Commission for thirty seven aerial torpedoes. (See Radiogram 1930.)

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

In Gibraltar are MALAYA, ARGUS, UNICORN, a cruiser of the DIDO class, MAIDSTONE, one auxiliary cruiser, one cable layer, eight destroyers, seven gunboats, two passenger steamers, forty five freighters, and twelve tankers. Still more ships are at sea in the western Mediterranean according to radio monitoring. The French command post in North Africa repeated a message about sighting a submarine 75 miles south of Mallorca.

Central and Eastern Mediterranean:

A cruiser and two destroyers shelled Derna from 0730 to 0800, and then left at high speed on an eastward course. Obviously the Italian dive bomber attack was not very successful. Three merchantmen on a westward course were sighted east of Marsa Matruh; one merchantman was sighted north of Alexandria proceeding toward the harbor. Radio monitoring intercepted a message at noon telling of a bombing attack on a British ship. Location could not be determined. It was learned that auxiliary cruiser CHANTALA (3,129 BRT) hit a mine on 7 Dec. and that escort vessel FLAMINGO (1,190 BRT) was badly damaged by a bomb hit, probably off the Egyptian coast.

2. Situation Italy:

An Italian ammunition depot was set on fire during an enemy air raid on Tripoli on 9 Dec.. The fires were still burning on 10 Dec.. Only slight damage was caused by the shelling of Derna.

The German Naval Command, Italy states in connection with the order to transfer Italian submarines from the Atlantic for transport of supplies to North Africa (Cf. War Diary 7 Dec., Submarine Warfare), that the capacity of the Italian submarine docks is already taken up by German submarines, and that the possibilities of using the Italian submarines for the above purpose are

limited in any case. Therefore it is requested that the order be checked once more and a new decision be made within five days, since Italian preparations will otherwise get under way (see Radiogram 1320).

3. North Africa:

Supply steamer SPECIA is scheduled to arrive in Benghazi on 10 Dec.. However, sufficient supplies for North Africa cannot be counted on for this date either, since bad weather interrupted the voyage of the steamer CALITEA at Argostoli and prevented the cruiser CADORNA from leaving Navarino. It also forced the cruisers BARBIANO and GIUSSANO, which left Palermo on 9 Dec., to return on 10 Dec.. On 9 Dec. they were unsuccessfully attacked by enemy aerial torpedos off Marittimo.

Off Navarino on 9 Dec., an enemy submarine torpedoed the steamer VENIERO which was returning from Benghazi with 2,000 British prisoners of war aboard. The ship could no longer be steered and was driven on the beach. Two transport submarines were en route to North African harbors with cargoes of gasoline, a third submarine loaded with food and fuel is scheduled to leave for Bardia on 11 Dec.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

A submarine was sighted west of Rhodes.

Own Situation:

The steamer TEDOL, reported grounded in Mudros Bay on 15 Nov. with a cargo of mazut, was salvaged on 9 Dec. without damage or casualties. Otherwise nothing to report.

Black Sea:

Enemy Situation:

Intelligence Center Turkey reported that only three Russian tankers, besides some icebreakers, entered the Bosphorus.

Air reconnaissance over Novorossisk sighted a heavy cruiser, three medium sized steamers, and two docks. Twenty eight small ships were sighted in Tamanskaya Bay, two tankers and ten steamers in Makhach Kala (Caspian Sea). There is an oil storage depot southwest of the harbor with six large, forty eight medium and ten small oil tanks.

Own Situation:

Nothing to report.

IX. Situation East Asia1. Enemy Situation:

The British Admiralty has admitted sinking of the PRINCE OF WALES and the REPULSE east of the Malacca Peninsula.

According to radio station Daventry, Duff Cooper declared that severe loss of personnel was sustained in the sinkings of the two battleships. Japanese sources have reported two of their transports sunk and two others damaged. Japanese landings in the Philippines were admitted, but a large-scale defense raid of U.S. planes followed. Bitter fighting is under way on Malacca. Kota Bharu has been abandoned. Chinese troops are said to have joined in the fighting at the Hong Kong front, but in spite of this the British lines were penetrated in some places.

For organization of the U.S. Pacific Fleet, based on Hawaii, according to radio monitoring and deciphering, see War Diary, Part C, Vol. XVI.

2. Situation Japan:

According to a report from the German Naval Attache in Tokyo, the attack on Hawaii lasted two hours. Eight aircraft carriers and more than 300 planes took part in the attack. Thirty planes were lost. The main weapons used were torpedoes and 1,000 kilogram bombs. Guam and Wake are occupied. Midway is destroyed, its occupation is not planned. The destruction of these bases cuts off the U.S. air route to Manila.

It is estimated that two months will be required for total occupation of the Philippines and probably four months for the conquest of Singapore. The occupation of the oil fields in Sumatra and Borneo is not planned until Singapore and the U.S. Fleet have been crippled as much as possible.

An attack on Vladivostok is not planned for the time being since forces are not available. However, supplies by sea will be cut off as much as possible.

The PRINCE OF WALES and the REPULSE were sunk by torpedo planes off Singora. Several submarines are operating off San Francisco. So far they have sunk a tanker and a merchantman.

Report from the Attache, 1/Skl 28692/41 Gkdos., in War Diary, Part C, Vol. XV.

The sinking of the two British battleships is an event of particular significance. Within a few days the combined power of the Japanese Fleet and its own Naval Air Force operating over a wide area has strengthened Japan's position on the sea to an extraordinary degree, and has given Japan surprisingly far-reaching strategic advantages at sea. The planning of these operations merits the highest praise.

It is most significant that an air arm belonging

to the Navy itself was the prime factor in this achievement. Nothing could more fully justify the existence of such an organization than such a victory. Only an air force which is at home on the sea and is an integral part of the naval forces could have been so successful. In any case, we must unreservedly admit that our own independent Air Force, in over two years of operations against heavy naval vessels, the backbone of the enemy's sea power, has achieved nothing comparable to the success achieved by the Japanese Naval Air Force in two days of operation.

Admiral Nomura told the Chief, Naval Staff that the Japanese Fleet and Naval Air Force were also successful in destroying or heavily damaging the major part of the U.S. Far Eastern Fleet. Details have not yet been received.

X. Army Situation

1. Russian Front:

Southern Army Group:

Probable enemy defense measures east of the Strait of Kerch. Extensive fortifications are under construction. Numerous un-coordinated enemy attacks were made against the 1st Panzer Army sector. The attacks collapsed under our anti-aircraft artillery fire. The 17th Army was fighting heavy defensive engagements all day. The situation there is of utmost gravity. Several strong enemy penetrations southeast of Popasnaya. Troops of the supply forces had to be used as last reserves. The 6th Army gained some territory in continuation of the attack on the right flank. Enemy attacks, among them a night attack, had to be repulsed on the left flank in the sector of the 25th Infantry Division.

Central Army Group:

The enemy attacked incessantly in an attempt to enlarge the gaps where he broke through the positions of the 2nd Army, the 3rd Panzer Group, and the 9th Army. Our positions had to be pulled back considerably on some parts of the front. Retreat of the 2nd Panzer Army to the Don-Shat-Upa line took place as planned. We were able to throw back strong attacks at Tula. The 4th Panzer Group also executed planned movements of evasion and formed a new defensive front. Attacks on the Kalinin position from the north and northwest were repulsed.

Northern Army Group:

Increased enemy attacks. An attack reinforced by troops transferred from the Valdai area is expected.

2. Finnish and Norwegian Front:

On the sector of the 163rd Infantry Division, an attempt by an enemy patrol to cross the Svir was repulsed. Embarkation of the 9th SS Regiment in Vasa was halted. Transport of the regiment by rail to Helsinki is in preparation. Otherwise the over-all situation remained unchanged.

3. North Africa:

The Savona Division received supplies of food and water from Bardia on 9 Dec.

The Panzer Group continued retreat to the northwest on 9 Dec. and completed withdrawal operations of the divisions of the Italian XXI Army Corps to the Ain-el-Gazala position on 10 Dec.. Disengagement from the Tobruk front took place according to plan and without enemy interference. The Gambara Corps and the Afrika Korps covered the maneuver. On 10 Dec. the enemy followed up all along the front. In order to protect the southern flank, orders were given for the Afrika Korps and the Gambara Corps to retreat to the Segnali-Bir Temrad area. The 90th Light Division has the task of defending the area around Agedabia and preventing enemy landings in the Gulf of Sidra. The commanding officer of the 15th Panzer Division was killed in action.

The Panzer Group reports that the over-all supply conditions and the immobility of the Italian Infantry Division will not permit defense of the Cyrenaica for any length of time. A withdrawal of the Italian Infantry Division to the area around Derna beginning on 11 Dec. is inevitable.

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Items of Political Importance

Germany:

Explaining the stand of the Government, the Fuehrer issued a statement to the effect that, because of the attitude taken by the United States, Germany and Italy will side with Japan in this war. The Fuehrer read the text of the pact between Germany, Italy and Japan which expresses the determination of the signatories to fight the war to a victorious conclusion.

For months the military aspect of the international situation has been very disadvantageous to the Axis Powers. By the above statement, the position of the three countries signatory to the treaty is clearly defined according to international law.

Great Britain:

The National Service Law was passed in the House of Commons after its first reading. The vote was 223:0. Press releases from London state that public opinion demands unification of the main British and U.S. naval forces in Singapore. This is said to be desired in order to deliver a decisive "knock-out" blow to the Japanese Fleet within the shortest possible time.

This arrogance has already had catastrophic consequences in the Japanese victories over Anglo-Saxon naval forces in the Pacific.

U.S.A.:

See Political Review No. 291, Paragraph 5, for a detailed account of Roosevelt's fireside chat of 10 Dec.. A diplomatic report concerning U.S. reaction to the Japanese attack fully confirms our opinion about the failure of Roosevelt's politics. See War Diary 7 Dec.. All the calculations of the U.S. war plan, as published by the Chicago Tribune, have now come to naught in view of the recent developments. A Pacific war, two to three years before completion of a Two Ocean Navy, at a time when the Army is not yet fully equipped, and the giant armament machine has not yet gained momentum, must be most unwelcome to the U.S. Government and explains the present day anxiety in the United States. Roosevelt has made a terrible miscalculation in counting on Japanese meekness and fear of the U.S.. As the heavy losses on Hawaii show, the Japanese surprise attack was not in the least suspected. The duration of the war against Japan is discussed these days in terms of two to three years instead of the "push-over" it was supposed to be in earlier days.

The House of Representatives repealed the provisions limiting duration of service in the Armed Forces to eighteen months and forbidding overseas service of draftees.

Japan:

The German Ambassador reports that the Japanese High Command was evidently successful in keeping secret the exact time set for the attack. Several effective diversionary measures were undertaken in order to preserve the element of surprise. The departure of the TATUTA (see War Diary 10 Dec.) and a social event sponsored by the War Ministry on the eve of 7 Dec. were a part of these.

Finland:

A diplomatic source reports that the Finnish people received the British declaration of war with a feeling of regret coupled with resignation and determination.

Turkey:

The German Ambassador reports that Japan's entry into the war has had a strong effect. The Turkish Government is said to have reviewed the international situation and to have arrived at the following conclusion: Since the war is now world wide, the necessity and opportunity for a successful compromise solution has increased. In view of the geographic situation in the war with the United States, it is impossible for either side to win a decisive victory. Ankara is said to know very well that the discontinuation of war supply shipments to Russia will have a decisive influence, both factual and moral, on that country's military situation.

According to a press report, U.S. trade representatives in Istanbul are taking no more Turkish orders for American goods, since U.S. shipping space for transport of civilian goods will be available only to a very limited extent.

Brazil:

Press reports state that all business transactions of non-Americans were placed under Government supervision.

Conference on the Situation with the Chief, Naval Staff.

The Chief of the Operations Branch, Naval Staff reports on the Fuehrer's Directive No. 39. This directive concerns immediate cessation of large scale offensive operations and a shift to defensive measures and related special tasks. The Navy has to provide safe conduct for merchantmen and troop supply ships on their way to Finland. The route to Helsinki is much safer now that Hangoe and Odensholm have been occupied by our forces and should be used as much as possible. Furthermore, the Navy is charged with substantially increasing the number of small ships to be constructed for the purpose of ferrying supplies and reinforcements (especially across the Black Sea and the Aegean Sea). These small ships are to be built in our own country as well as in countries allied to or occupied by Germany. All requirements

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and security regulations which are not absolutely essential will have to be foregone.

Directives corresponding to the above text are sent to Groups North and South as well as to the Quartermaster Division, Naval Staff, by Fleet Operations Section, Naval Staff (1/Skl I op 2102/41 Gkdos. Chfs.). For copy of the directives see files "Barbarossa".

Situation 11 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Radio monitoring located FURIOUS in the western North Atlantic, RAMILLIES on the northern route and EDINBURGH in the Iceland region. A Japanese report states that KING GEORGE V was sighted in Bombay on 2 Nov.. Our confirmed reports show that PRINCE OF WALES was at Bombay the same day, so that a Japanese error seems likely.

Radio monitoring intercepted a radiogram from Annapolis at 1640 which was directed to all U.S. naval units. The message stated that Germany has declared war on the United States. A message intercepted at 1721 gave orders for execution of plan "Wpl 46" against Germany and Italy as well as Japan, and gave orders for the Naval Attaches to instruct the naval offices.

The Naval Attache at Washington reports that eight merchantmen per month are being outfitted with armament. This seems too slow to be true.

South Atlantic:

Radio intelligence deciphered a report stating that an auxiliary cruiser, probably CIRCASSIA, was to leave Jamaica on 10 Dec. and proceed to Trinidad by way of St. Martin, Saba, and St. Eustatius. The U.S. cruiser OMAHA and the destroyer SOMERS arrived in Pernambuco on 10 Dec.

Press reports state that Argentina and Chile are conferring about joint fortification of the Straits of Magellan.

Pacific Ocean:

On 9 Dec. the radio station at Bandoeng broadcast a warning that a mine field has been laid off Batavia and for all ships to steer to a fixed control point. Press reports state that the British expect that German merchantmen now lying in Jap-

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anese harbors will be sent into the Pacific as armed merchant raiders. Chile and Mexico will start to patrol their territorial waters in the Pacific.

2. Own Situation:

Report on the enemy situation by Radiogram 2217.

II. Situation West Area:

Some bombs were dropped during an enemy air raid on Brest between 1920 and 2105. Some civilian property was damaged.

Nothing to report otherwise.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

The radio monitoring service reports the following British vessels ready for action in the Scapa area: DUKE OF YORK, RESOLUTION, RESOLUTION, VICTORIOUS.

In the Clyde, but not ready for action: NELSON.

There have been no accurate reports about KING GEORGE V since 2 Oct.. According to press reports, she may be in the Indian Ocean.

On 7 Dec. a cruiser, probably SHEFFIELD, received orders to proceed to Kola Bay.

Own Situation:

Nothing to report.

2. Norway:

Enemy Situation:

Aerial photographs of 10 Dec. show that the coastal waters between Byelomorsk and Pongoma, approximately 100 miles wide, are frozen over. No navigational channel can be seen. Radio telephone conversations confirmed that there still are submarines in the area off Hammerfest. Decoding of a British Admiralty radio report of 17 Oct. reveals the following: A convoy of three steamers proceeding eastward was attacked on 11 Oct. off North Cape by submarine TIGRIS. Three probable hits were scored. A convoy of three steamers proceeding westward was at-

tacked at the same place and presumably by the same submarine on 14 Oct.. One certain and two probable hits were scored.

Own Situation:

The 8th Destroyer Flotilla and TANGA could not enter Kirkenes because of fog. The ships proceeded to Vadsoe since visibility and wire communication facilities were better there. LUEDERITZ started on her trip to Bodoe unaccompanied. Rolfsøe Sound and Reppe Fjord were closed to shipping because of suspected mines in these waters. An artillery duel between submarine chaser "1212" and a submarine took place north of Hammerfest. Results have not yet been reported. Coastal Battery "Loedingen" is ready for action in an emergency. There can be no doubt that the steamer STEINBECK was hit and sunk by a torpedo.

IV. Skaggerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

According to the German Naval Attache at Helsinki, Field Marshal Mannerheim gave an "Order of the Day" commemorating the occupation of Hangoe. In it he has words of high praise for the German air and naval forces which played such a decisive role in the conquest of the island. The Commander in Chief, Navy will convey his appreciation to the Field Marshal.

V. Submarine Warfare

1. Enemy Situation:

At 1400 a British plane tracked a submarine west of the Faroe Islands at 60° 57' N, 12° 57' W.

Convoy OG 77 passed 43° N 33° W probably on 8 Dec.. Radio station Annapolis announced that a mine field has been laid in the approaches to New York harbor.

2. Own Situation:

Submarines located in the vicinity were ordered into action against a convoy proceeding to Lisbon. Submarine U "434" reported sinking three steamers of the convoy, a total of 25,000 BRT. Submarine U "374" sank two ships off Ceuta within her patrol area.

The sequence for supply of submarines at "Bernardo" from 11 Dec. to 15 Dec. is as follows: U "574", "575", "332" and "434". Naval

Staff has no objections to an underwater approach by the submarines. This maneuver was tried twice so far and was successful each time. (See Radiogram 1616.)

The German Naval Command, Italy requested review and possibly rescission of the order transferring Italian submarines from the Atlantic to the Mediterranean (see War Diary 10 Dec.). Naval Staff answers this request as follows: Transport of supplies and reinforcements from Italy to North Africa has top priority at this time. It is therefore desired that the Italians be given all possible assistance in their plans for transferring submarines from the Atlantic to the Mediterranean where they will be used for transport purposes. (See Radiogram 1717.)

The German Armistice Commission reports that the French requested assurance that steamer ST. DENIS was not sunk by an Axis submarine.

For a comprehensive report on submarine warfare in the North and South Atlantic as well as in the Mediterranean and the Aegean Sea, see War Diary, Part B, Vol. IV. An analysis of the situation by the Commanding Admiral of Submarines is attached to the report.

VI. Aerial Warfare

1. British Isles and Vicinity:

Twenty five of our planes were on a mine-laying mission during the night of 11 Dec.. Mines were laid in the mouth of the Humber. Forty eight enemy raids into the Reich. Main points of attack were Frankfurt, Wiesbaden, Mannheim. Air raids on Le Havre and Brest. Reports of damage have not yet been received. The German Army Radio Deciphering Service reports that convoy control station Aberdeen confirmed the sinking of transport vessels XH, XP, YS and XU on 10 Dec. and furthermore reported that three other transport vessels arrived heavily damaged at Newburgh. These ships were damaged by three planes of the 1st Fighter Group, Squadron 26, off Dundee on 8 Dec. (see War Diary 8 Dec.).

2. Mediterranean Theater:

Two German transport planes on a flight from Derna to Athens were shot down by British pursuit planes.

3. Eastern Front:

Fairly strong Air Force operations in support of the Army.

VII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

All vessels of Task Force H are again in Gibraltar. According to a report from Spanish source, thirty ships have been expected to leave at any time since 28 Nov.

Central and Eastern Mediterranean:

Two cruisers and two destroyers were sighted 10 miles southeast of Malta heading southeast. Radio intelligence located several unaccompanied vessels at sea between Alexandria and Tobruk. British submarines were sighted or located in several instances.

2. Situation Italy:

Nothing to report.

3. Transport of Supplies to North Africa:

The steamer SPECIA arrived in Benghazi. Other transports were considerably delayed by weather conditions.

4. Area Naval Group South:Aegean Sea:

During an enemy submarine attack on the convoy of steamers ELLY and ARKA, the torpedo boat ALCIONE was heavily damaged and beached off Suda.

Black Sea:

Nothing to report.

VIII. Situation East Asia1. Enemy Situation:

The United States War Department announced attacks by Japanese army, air and naval forces on the western coast of Luzon between San Fernando and Vigan. Further announced was an attack by American bombers on the Japanese transport vessels off Vigan. Five transports are said to have been damaged and another one sunk. Reuter announced that the Philippines were the target of enemy air raids all day. The naval base Cavite was the main target of enemy bombings. The Japanese also are said to have landed on the northern coast of Luzon. British Headquarters in Singapore reports that enemy attacks by air and land are continuing in northern Malaya and that the Japanese made a landing attempt on the east

coast of the peninsula near Kuantan. A French report states that Tsingtao has been occupied by the Japanese. Naval and air reinforcements from the Dutch East Indies arrived in Singapore. Radio station Daventry reports that three bomb hits were scored by American planes on the HARUNA north of Luzon. The ship is said to have been set afire and sunk.

2. Situation Japan:

Japanese Headquarters reports that Japanese landings took place on the Philippines. The air base at Nichols Field was successfully attacked. A U.S. transport vessel was sunk in Manila Bay by submarine. A British steamer was taken as prize off Hong Kong. Further reports state that Japanese troops made a successful landing on Guam, a U.S. submarine was sunk off Palau, and a British patrol vessel was sunk off Hong Kong. Japanese losses are given as two transport vessels without loss of personnel. It is denied that a Japanese aircraft carrier was sunk off Hawaii.

No reliable reports are available about the sinking of the U.S. carrier LEXINGTON and the British battleship KING GEORGE V.

The Japanese Chief of Naval Staff Nagano himself explained to the German Naval Attache the action that took place off Cape Kuantan. According to his explanation the following took place: PRINCE OF WALES, REPULSE and four destroyers, all on north northwest course, were first sighted in 105° West by submarines patrolling a line in 5° North. Air reconnaissance was dispatched but lost contact with the British force during the night. The British obviously steered a more northerly course and then reversed course to be sighted again by the Japanese submarine line on 10 Dec. at 0340 in 5° North and 104° 30' East on southerly course. At 1115 air patrols contacted the enemy in 4° North in the same longitude. The British ships were proceeding on a southerly course at full speed. The alarm was sounded and 34 bombers and 51 torpedo planes left from Saigon. These planes then began the attack at 1310. REPULSE sank thirty minutes later and PRINCE OF WALES sank at 1450.

Attack Maneuver:

Bombers attacked first in order to tie down anti-aircraft artillery. Shortly afterwards came the attack by the torpedo planes from east and west. Only three Japanese planes were lost. The planes landed on newly conquered airfields in Malaya. The British defense was termed very weak. Japanese naval forces, mostly cruisers, which were stationed south of Cape Cambodia could not arrive in time to take part in the engagement. The operation was under the command of Admiral Kondo. The Hawaii operations are under the command of Fleet Commander Admiral Yamamoto. Nagano finished his explanation with the words: "The BISMARCK has been avenged, and this is only the beginning. My very best regards to the Grand Admiral." The leading personality, and the one who prepared the start of the whole campaign in an exemplary way, is Vice Admiral Ito.

IX. Army Situation

1. Russian Front:

Southern Army Group:

Fairly weak enemy attacks in strength up to one regiment were repulsed at the 1st Armored Army sector. At the 17th Army sector the front was shortened in some places. Nothing worth mentioning occurred at the 6th Army sector.

Central Army Group:

Heavy enemy forces closely follow the southern flank of the 2nd Armored Army. Sustained enemy pressure west of Moscow in the area around Klin and southeast of Kalinin. The enemy penetrated our lines in several places. Withdrawal to rear positions generally according to plan.

Northern Army Group:

Isolated enemy attacks were repulsed.

2. Finnish and Norwegian Front:

Nothing to report.

3. North Africa:

The 2nd South African Infantry Division seems to be preparing an attack on Bardia-Sollum-Halfaya from the west.

Enemy outposts and patrols were active in the Ain el Gazala sector in an attempt to establish contact with Italian units.

The Commanding Officer of the 90th Light Division was killed.

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Items of Political Importance

Great Britain:

Churchill made a speech in the House of Commons in which he brought out the following points:

A second phase is about to begin in the Libyan campaign now that reinforcements have arrived. As the result of unexpectedly strong and skillful German resistance the first phase was much costlier than had been expected. The Battle of the Atlantic is progressing as much as ever in Britain's favor. Heavy losses in Russia have forced the German Army into a defensive position. This campaign is one of the gravest errors in German policy. As for the Far Eastern Campaign, Britain hardly ever before sustained so heavy and grievous a loss at sea as that of the two battleships.

The Prime Minister closed with the remark that it would be a disgrace not to be able to teach the German Party Organization, that most despicable of evils of mankind, a lesson which the world will not forget for a thousand years to come.

According to press reports the Ministry of Economic Warfare declared that the war against Japan cannot be won by a blockade alone. Japan would be able to stand total war for at least a year, and if new sources of raw materials are opened up, for four or five years.

Portugal:

According to sources close to British Embassy circles, the Portuguese Government is being sounded out whether it would agree to entrust Britain with the protection of her Far Eastern possessions (Goa, Diu, Daman, Macao, and Timor). The Portuguese Government shows little inclination to such an agreement and hopes that Japan will respect Portuguese sovereignty rights.

U.S.S.R.:

Diplomatic sources report that great self-confidence is evident in Moscow concerning the outcome of the fighting.

Hungary:

The Government has broken off diplomatic relations with the United States.

Turkey:

The Italian Government proposed to Ankara that a new Friendship Pact be signed as substitute for the one expiring in April 1942. Press reports state that there is little inclination on the part of Turkey to conclude an alliance of such intimate nature with the Axis at this time.

U.S.A.:

The enthusiastic ovation which the President received in Congress is said to reflect U.S. public opinion. A diplomatic report states that there is no more opposition, and goes on to say that the United States Government obviously expects Russia to participate in the war against Japan. But Litvinov is said to have made a very evasive statement. There is no doubt in the public's mind about the seriousness of the situation in the Pacific (in view of the surprising Japanese successes in Hawaii. The significance of the losses is not denied. There is a pronounced tendency to blame Germany as the chief instigator of the war who has lead Japan astray. Russia's attitude is being watched with great interest.

Thailand:

It was officially announced that Japan and Thailand signed a full military alliance.

Conference on the Situation with the Chief, Naval Staff.

No special reports or decisions.

Special Items:I. Italian Fuel Oil Supplies:

The Armed Forces High Command, War Industries and Supplies Section informed the Italian Armed Forces High Command through the German General at Headquarters of the Italian Armed Forces that the German Navy will send only two shipments of 30,000 tons fuel oil and not three as was erroneously assumed. Both shipments are under way at the present time. Rumanian shipments are behind schedule not because Rumania failed to produce enough oil but because her home consumption is excessive. A change in this situation is definitely promised. German representatives are in Bucharest at this very moment. They are doing their utmost to persuade the Rumanians to release a considerable amount of fuel oil to Italy before the end of this month. The subsequent supply situation of the Italian Navy will be one of the topics of discussion at the forthcoming conference of the German and Italian Naval Staffs. See War Diary, Part C, Vol. IX for exact text of the message as received from Naval Staff, Quartermaster Division, Supplies (Sk1 Qu. A. IIIc 9734/geh.).

II. Independent versus Naval Air Force?

See News Analysis "Foreign Navies" No. 44 for report on the first mobilization measures in the United States. The same volume contains an article by Rear Admiral Yarnell, U.S.N. (ret.) which appeared in the magazine Collins (Colliers? Tr.N.) on 15 Nov. 1941.

This article is a critique of the R.A.F. Admiral Yarnell takes up one by one the few successes scored by the R.A.F. and goes on to say that these would have been far greater and the numerous errors and failures far less frequent were the R.A.F. not an "independent Air Force" but an integral part of the Army and Navy. This comment becomes significant in the face of current experiences in the war against Japan.

III. Enlargement of the Finnish Navy:

The German Naval Attache at Helsinki submitted detailed proposals on how the German Navy can exert influence on the future organization of the Finnish Navy. While the Naval Staff respects the principles contained in the report, they believe that the proposed assignment of Finnish officers to the German Naval Staff and the Group Commands would constitute an unnecessary encumbrance for these authorities. The Naval Staff believes that their assignment to the various frontal sectors would be more to the point. German views concerning the development of strategy and operations can be clearly defined in a few conferences. Unfortunately it seems as though the Naval Attache at Helsinki committed himself rather definitely to the Finns before the German Naval Staff was able to review the matter. It is recommended that henceforth the Naval Staff, Quartermaster Section, and the Naval Personnel Office participate in all such matters.

IV. Overall Situation in the Defense Industry:

The Armed Forces High Command, War Economy and Armaments Division gave a comprehensive report reflecting grave concern over how long it will be possible to maintain production at a sufficiently high level. Difficulties are increasing from month to month. The following specific problems demand attention: -

An overall increase in production is out of the question at this time. Industrial manpower reserves are exhausted. There is great confusion in regard to the distribution of manpower and maximum exploitation of productive capacity. Signs of weariness. Lowering of workers morale. Transportation conditions are critical. The coal supply is becoming extremely low, the coal reserves of plants are exhausted and in some instances it has become necessary to shut down factories (even in essential industries!!). Insufficient coal deliveries have caused serious difficulties in the production of electric power; serious complications in the long distance supply of gas; considerable disruption of production; the motor fuel supply is insufficient to fill the needs of essential industry. The fuel shortage considerably affects transportation. The transportation situation is extremely critical. In some respects it is worse than it has ever been.

V. The Naval Attache at Tokyo transmits the following message from Admiral Nagano:

1. Admiral Nagano requests information concerning the aerial torpedoes which Japan made available to Germany.
2. He points out that the creation of an independent Jap-

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anese Air Force is no longer an acute question.

3. He expresses hope that attacks on the Suez Canal will increase from now on in view of the expected transfer of British naval forces from the Mediterranean to the Pacific, and in view of the lull in the Russian campaign.

This request is so logical that it was to be expected. But since the German Air Force suffers from a lack of fuel it is imperative that our hard-pressed land forces be given priority on air support.

VI. The Chief of Naval Staff had a conference with the Fuehrer. For the text of this conference see War Diary, Part C, Vol. VII. Entry made according to directive from Operations Division, Naval Staff (1/Skl Ib 2133/41 op Gkdos. Chefs.).

Situation 12 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

Special Items:

See Radio Intelligence Reports (B-Berichte) No. 49/41 of the Naval Staff, Chief of Naval Communications (Radio Intelligence), for compilation of news received up to 1 Dec. 1941 by radio monitoring and intelligence services.

North Atlantic:

Radio monitoring service reports that U.S. ships in the North Atlantic received special orders about painting over markings revealing their identity, radio silence, navigation lights, etc.. A mine field was laid off Chesapeake Bay. Three U.S. submarines left Bermuda on 9 Dec. headed for the Bristol Channel. A cruiser, probably the NAJAD, is on her way to Gibraltar from the West Indies.

Radio London reports: All British naval bases have been put at the disposition of the U.S.; all U.S. bases at the disposition of the British naval forces. The U.S. Export Line has discontinued service.

South Atlantic:

Radio Boston states that ships can pass through the Panama Canal only between the hours of 0600 and 1800. OMAHA and SOMERS left Pernambuco. An unidentified U.S. destroyer arrived at Natal on 7 Dec. and additional ships are expected there. Radio deciphering service located ASTURIAS east of Bahia and ROYAL SOVEREIGN on convoy duty in the South Atlantic.

Pacific Ocean:

According to press reports the Chilean Government has put all Chilean harbors at the disposition of U.S. vessels.

2. Own Situation:

The Naval Attache at Tokyo relayed a request from the Japanese Navy to let the PORTLAND pass north of Hawaii. She is to be met and escorted by Japanese naval forces (see Radiogram 1747).

Radiogram 0016 gives corresponding directives to the PORTLAND.

Reports on the enemy's situation were received by Radiograms 0531, 1154, and 2200.

II. Situation West Area1. Enemy Situation:

Air reconnaissance sighted a convoy of six steamers on southward course south of Milford.

2. Own Situation:Atlantic Coast:

During the enemy air raids on Brest (see War Diary, 11 Dec.) the evening of 11 Dec. in which about ten planes participated, one bomb out of a series of six landed in the water approximately 20 meters in front of the SCHARNHORST's bow. Lannion bore the brunt of the attack. Between 15 and 20 enemy planes renewed the attack on 12 Dec.. It lasted from 1856 to 2202. Fifty high explosive bombs fell in the harbor area and the air base at Brest South. No large vessels were damaged.

Further heavy attacks on Brest are to be expected. The enemy is determined to try everything to cripple our heavy vessels in order to enable British heavy vessels to proceed to the Far East.

The Naval Staff agrees with the proposal from Commanding Admiral, France concerning operations of the decoy vessel SILU. It is entirely up to Group Command West how to use this vessel. (See Radiogram 1230.)

Channel Coast:

Enemy air activity in the evening of 11 Dec. in the Dunkirk area and along the entire Belgian coast. No bombing. One enemy plane was shot down by naval anti-aircraft artillery. Ten bombs fell on Le Havre during the attack. No damage.

III. North Sea, Norway, Arctic Ocean1. North Sea:

The steamer MARIENTHAL, sailing unescorted, was attacked by enemy planes off Wangeroog Island. Otherwise nothing to report.

2. Norway:Enemy Situation:

From monitoring radio telephone conversations we learned that a group of British submarines was located off Hammerfest and a group of Russian submarines off Cape Nordkyn in the evening of 11 Dec.

Own Situation:

Weather conditions prevent arrival of the 8th Destroyer Flotilla and TANGA at Kirkenes. Submarines U "134" and U "454" arrived at Kirkenes. LUEDERITZ and the 8th PT Boat Flotilla arrived at Bodoe. Submarine chasers "1211" and "1212" engaged an enemy submarine in an artillery duel. The enemy submarine had previously sunk two Norwegian cutters. After it submerged it was attacked with depth charges and was presumably damaged. The sea area off Myling was closed to shipping because mines are suspected in those waters. Minesweeper BALI ran aground and was towed to Tromsø with a damaged screw. Radio station Gamvik burned down on 10 Dec.: All equipment was lost. Fire most likely caused by negligence. Since 2 Dec. the torpedo batteries at Korshavn and Porsoe are ready for action in case of emergency. The inner Petsamo Fjord is only navigable with the aid of icebreakers. Our convoy was unsuccessfully attacked by enemy planes off Obrestad on 11 Dec.

After the arrival of submarine U "134" it was determined that the steamer STEINBECK was sunk by this submarine on 9 Dec.. According to the Commanding Admiral, Arctic Ocean, the commanders of U "134" and U "454" had presumably not been informed about our own coastal convoys and were not provided with code equipment or the radio communication schedule for the Arctic coast.

This tragic failure demands a thorough investigation by a military court of inquiry.

The War Diary of the Admiral, Arctic Ocean for 20 Oct. contains incorrect data in its representation of the initial situation. This must be charged to insufficient information. The Naval Staff wishes to make it understood that the Navy is in no way responsible for the failure of the Army attack on Murmansk. The offensive was not successful because the forces used were too small from the very beginning. Only later on did the Navy receive requests to bring up supplies and troop reinforcements by sea, and this was done to the best of our ability until the Armed Forces High Command decided, on the basis of considerable losses, that the risk was too great and that the operation should therefore be discontinued. The Naval Staff had always stressed the risk that would be involved. Group Command

North, Commanding Admiral, Norway and Admiral, Arctic Ocean have been informed of this view. It was added to the War Diary of the Admiral, Arctic Ocean. For text of the message see entry in War Diary, Part C, Vol. IIa, as per Naval Staff, Operations Division, Northern Operations Section, 1/Skl I Nord 28001/41 Gkdos.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

The Swedish steamer DERNIA and the German steamer FORTUNA were caught in the Gjedser net barrage.

Otherwise nothing to report.

V. Merchant Shipping:

The Naval Staff, Naval Intelligence Division estimated the total tonnage of U.S. East Asia lines at 1.2 million BRT, or 220 ships, at the beginning of Nov.. At the outbreak of war, only 24 of these ships (160,000 BRT) were at sea in areas where the Japanese could seize them. 15 of them (105,000 BRT) were homeward bound for the U.S. West Coast. Nor were there many Japanese ships outside the Japanese sphere of influence at the outbreak of hostilities. According to the Naval Staff, Naval Intelligence Division there were only eight such Japanese ships (approximately 60,000 BRT).

Digest No. 54 of the "Foreign Merchant Shipping" news series by Naval Staff, Naval Intelligence Division contains the following:

Names of Japanese and American ships in question; report about institution of prize courts at Tokyo, Yokosuka, and Sasebo; report about the regulation forbidding Portuguese ships to sail to the U.S.; backlog of orders for merchant ship construction in the U.S.; armament of U.S. merchantmen; limitation of Turkish coastal shipping.

VI. Submarine Warfare

1. Enemy Situation:

On 10 Dec. a convoy, course unknown, was proceeding at 12 knots northwest of Porcupine Bank. A British patrol vessel asked for pursuit plane cover 20 miles south of Lisbon. This was presumably near convoy OG 77. The British naval vessel ROSABELLA exploded in the Gibraltar area on 10 Dec.. According to a Spanish report five auxiliary cruisers, which could be used for transport purposes, are lying in Gibraltar.

2. Own Situation:

The Chief of Staff, Naval Staff and the German Admiral, Rome conferred by telephone. As a result the power of decision regarding the transfer of Italian submarines from the Atlantic to the Mediterranean, for purposes of transport of supplies to North Africa, was transferred to the German Admiral, Rome. This was done because conditions which formed the basis of the previous directive from the Naval Staff will not be in existence (see Radiogram 1313). (Cf. War Diary 7, 10, and 11 Dec.)

According to the German Armistice Commission, France, the French assume that the steamer ST. DENIS was sunk by the British. They plan a submarine chase in the area off the Spanish and French coasts, bounded by the 5th Meridian on the east and the line between 38° 20' N and Cape Palos on the south (see Radiogram 2127). Three men of the ST. DENIS are missing.

The German Naval Command, Italy has ordered all available German submarines to take their stations off Alexandria. This measure is designed to keep British forces from leaving Alexandria and interfering with the planned Italian operation of escorting two convoys to Tripoli and Benghazi.

For the corresponding operational order from Operations Division, Naval Staff (1/Skl op 2123/41 Gkdos. Chfs.) see War Diary, Part C, Vol. XIV.

See War Diary, Part B, Vol. IV for further report on the Atlantic and Mediterranean situation.

VII. Aerial Warfare1. British Isles and Vicinity:

See Situation Western Area for details on the enemy daylight raid on Brest. An enemy steamer (9,000 BRT) was damaged off Lisbon by armed long range reconnaissance. Twenty three of our planes laid mines in the Humber estuary during the night of 12 Dec.. Seven planes went on armed sea reconnaissance missions. A convoy was attacked without success.

2. Mediterranean Theater:

Lively enemy air activity in the Crete-Greece area. 80 to 100 high explosive bombs were dropped during enemy air raid on the airbase at Maleme (Crete). Only small damage was caused.

3. Eastern Front:

Normal air activity in support of Army operations.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

HERMIONE left Gibraltar for the Mediterranean during the night of 11 Dec.. Otherwise no noteworthy changes in the number of ships lying in the harbor. Air reconnaissance reports that four destroyers were sighted during the afternoon proceeding eastward 45 miles north of Cape Bougie.

Central and Eastern Mediterranean:

Air reconnaissance located the following ships in Malta: 4 light cruisers (one of them in dock), 4 destroyers, and approximately 12 merchantmen of various sizes. Radio monitors intercepted a report from British air reconnaissance stating that two merchantmen and three destroyers were sighted on a northeast course 30 miles south of Cape Stilo (Ionian Sea). According to Reuter the British Admiralty announced that a British submarine scored three torpedo hits on a cruiser which presumably sank later on. This was one of three cruisers proceeding southward in the central Mediterranean. A British Admiralty report of 8 Dec. states that British naval vessels shelled and sank an Italian vessel of 2,350 BRT in Pantellaria on 1 Dec. (steamer ADRIATICO? - see War Diary 1 Dec.). The same report states that the transport steamer GLEN ROY which was badly damaged on 12 Nov. in an air raid off Tobruk arrived in the harbor. German air reconnaissance reported at noon that five ships were sighted 35 miles north of Alexandria. They were proceeding westward at high speed.

2. Situation Italy:

Enemy air raid on Argostoli on 11 Dec.. Air raid on Benghazi the same evening.

3. Own Situation:

The 3rd PT Flotilla left Augusta at 1630 in accordance with orders issued by the German Naval Command, Italy, because enemy ships are suspected of leaving Malta. For the operational order from the German Naval Command, Italy, see War Diary, Part C, Vol. XIV. Entry made as per Operations Division, Naval Staff, 1/Sk1 I op 2116/41 Gkdos. Chfs.

4. Transport of Supplies to North Africa:

The steamer GALITEA was sunk by an enemy submarine in the evening of 11 Dec. west of Cape Matapan. The GALITEA was armed with four anti-aircraft cannons and had five officers and 528 men aboard. Detailed reports are still missing. The CADORNA arrived at noon of 11 Dec. in Benghazi and left again a few hours later for Brindisi. Transport of supplies by submarines and torpedo boats continues. The cruisers BARDIANO and GIUSSANO left Palermo in the evening of 12 Dec. and are scheduled to arrive in

Tripoli on 13 Dec.. Two convoys are scheduled to bring goods to Tripoli and Benghazi within the next few days. They will be escorted by heavy Italian naval forces and strong German and Italian air forces.

5. Area Naval Group South:

Aegean Sea:

Radiogram 0614 received from Group Command South reports on the development of Milos. In accordance with the directives from the Naval Staff and the Armed Forces High Command, Operational Staff, Air (see War Diary 25 Nov.), Milos is to be a base and a port of refuge for ships travelling between Piraeus and Crete. The matter is in the hands of the Naval Staff, Quartermaster Division. For the transportation of supplies from Bardia to the front, three more auxiliary sailing vessels have been designated by the Admiral, Aegean Sea, and three naval barges, which however are not available at the moment, by the German Naval Command, Italy. Assault boats are not suited for this purpose since their capacity is too small (see Radiogram 2100).

Black Sea:

Nothing to report.

IX. Situation East Asia

1. Enemy Situation:

Press reports state that the U.S. Secretary of the Navy announced the sinking of the Japanese battleship HARUNA by the Army air forces off the northern Philippine coast. The Commander in Chief of the U.S. Far East Fleet, Admiral Hart, announced that a Japanese KONGO class battleship was bombed by Navy scout planes and badly damaged. A further report from the U.S. Navy Department states that strong Japanese forces again made a landing attempt on the northern coast of Luzon on 11 Dec.. These attempts were successfully fought off at Aparri by determined resistance. Japanese air bombardment of the military and naval installations continues. The British Headquarters at Singapore report that 2,000 men were rescued from the PRINCE OF WALES and REPULSE. Admiral Sir Thom Philipps is missing. The British Admiralty reports that 130 officers and 2,200 men of the total 170 officers and 2,755 men of the two battleships were rescued. Radio Daventry reports that Dutch naval vessels joined the British Far East Fleet. According to further Anglo-Saxon press and radio reports the Japanese landed at Kuantan, about halfway between Singapore and Kota Bharu, and the U.S. admit only one transport vessel sunk by enemy action. Japanese parachute troops are said to have landed at Ilagan air base on Luzon. Two British gunboats were sunk by an air raid near Hong Kong. Vice Admiral Sir Geoffrey Layton took over the command of the British Far East Fleet.

According to the report of the Japanese Naval Attache at Berlin concerning the distribution of British and U.S. air forces in the Far East, 400 British planes can be expected to be on Malaya. The Japanese estimate the distribution of U.S. naval forces as follows: 1 heavy cruiser, 2 light cruisers, 15 destroyers and 25 submarines in the Far East; 8 battleships, 2 carriers, 11 heavy cruisers, 8 light cruisers, 50 destroyers and 20 submarines in Hawaiian waters; 1 battleship, 1 heavy cruiser, 1 carrier, 10 destroyers, and 10 submarines on the U.S. West Coast; 2 light cruisers, 5 destroyers, 12 submarines in the Panama Canal zone; 8 battleships, 5 heavy cruisers, 4 carriers, 5 light cruisers, 70 destroyers and 35 submarines in the Atlantic; 2 light cruisers and 3 destroyers in South America.

5 battleships, including 2 of the latest type, 4 new light cruisers, 2 carriers, and several destroyers are said to have been transferred from the Atlantic to the Pacific, and 15 submarines supposedly were transferred from Hawaii to the Far East. Japanese estimates of the losses suffered by the U.S. Hawaii forces are: 2 battleships sunk, 3 badly damaged and one probably sunk; 4 light cruisers of newest type badly damaged.

2. Situation Japan:

According to the German Naval Attache at Tokyo, the occupation of Kowloon on the Hong Kong Front is nearly completed, the power station has been destroyed and the city's water supply disrupted.

On Luzon, Japanese troops penetrated 40 km inland without meeting resistance. Only U.S. submarines are still lying in Cavite. The cruisers are said to have withdrawn to Australia. Operations against Singapore are proceeding according to plan. All entrances to the Sea of Japan are effectively blocked and thus Vladivostok is inaccessible too. According to the Japanese Naval Attache at Berlin, Japanese Headquarters deny that the HARUNA was damaged. Only one light cruiser is said to have been slightly damaged in the Manila area, but not enough to interfere with its operation; one submarine chaser or minesweeper sunk, and another one damaged. 202 enemy planes are said to have been shot down over the Philippines without a single Japanese loss. More Japanese troops landed on the southern coast of Luzon on 12 Dec.

Further communiques from Japanese Headquarters published by the press state that Agana, the capital of Guam, has been occupied. One U.S. destroyer and a submarine were sunk at Manila and one transport vessel damaged. The U.S.-Hong Kong cable was cut. The Japanese Navy designates the successful operations off Hawaii and Malaya as "Naval Battle of Hawaii" and "Naval Battle off Malaya".

X. Army Situation1. Russian Front:Southern Army Group:

Strong enemy attacks primarily against the southern flank of the 17th Army under cover of fog. Only local attacks against the 1st Armored Army.

Central Army Group:

The enemy penetration northeast of Livny was extended to the north. The transfer of fresh troops from the area east and northeast of Kharkov and the formation of a new Russian Army Staff indicate that new offensives are planned for this sector. Northwest of Moscow and to both sides of Kalinin strong but in the main unsuccessful enemy attacks are continuing.

Northern Army Group:

West of Tikhvin the enemy is closely following our withdrawing forces. The enemy is reinforcing his Neva front. The XXXIV Army Corps withdrew to new western positions.

2. Finnish and Norwegian Front:

Situation substantially unchanged.

3. North Africa:

Enemy forces supported by tanks attacked our eastern Ain el Gazala positions on 11 Dec. but were repulsed. A withdrawal of the Italian Division from the eastern to a western position is scheduled for the night of 11 Dec.. The enemy succeeded in breaking into the line of the Italian Motorized Corps on 12 Dec.. The situation was restored by the German Afrika Korps which also had to fight off enemy attacks on its front and flank. Enemy patrol activity was detected 75 km southeast of Syrte (Zafran) and 40 km south of Agedabia. The region east of Derna is being cleared of supply depots according to plan.

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Items of Political Importance

France:

Vice Admiral Fenard, who was named Secretary General for Africa, is responsible solely to Admiral Darlan.

Great Britain:

The newspapers give indications that the formation of an Allied Supreme Council is under consideration composed of Britain, the United States, Russia, and perhaps also China.

Turkey:

The National Assembly passed a bill pertaining to the Turko-German Trade Agreement. The bill stipulates that Turkey will export nothing to Germany until corresponding imports from Germany and countries in the German Customs Union have arrived on Turkish soil.

U.S.A.:

Congress is drafting a law giving extraordinary powers to the President. This law also is to make it compulsory for all men between the ages of 18 and 65 to register for selective service, while all men between 19 and 45 will be called to active duty in the Armed Forces.

Political Review No. 295,* Paragraph 4-d, contains the message which Roosevelt sent to the Armed Forces in the middle of November. He states that the impending war against Japan will probably last for two or three months, while the ensuing war against Germany and Europe can last for ten or even twenty years. The Communications and Intelligence Division of the Naval Staff expresses fully justified doubts concerning this statement.

Japan:

A comprehensive report by the German Ambassador to Japan concerning the latest events in Japan, emphasizes the role of a strongly pro-American group and their intrigues in which persons still occupying important government positions participated. The report closes with the statement: "Japanese negotiation tactics made the United States the leader of the A B C D Powers. Japan recognized that any further procrastination on her part would be tantamount to renouncing her position as a great power. In view of these considerations the Japanese Armed Forces decided to wage war, and forced the issue." Full text of the report in Political Review No. 295,* Paragraph 6-a.

China:

The Nanking Government transferred control of the Chinese Mari-

* This should read 293, Tr.N.

time Customs Administration to the Japanese.

This marks the official end of the International Chinese Maritime Customs Administration which was established in 1856. It was one of the most important pillars of the British position in the Far East.

Special Items:

The Fuehrer issued a new directive concerning the consumption of metals. It provides that the Chief, Armed Forces High Command should allocate the nonferrous metals to the various branches of the Armed Forces in such a way that the supply will not run out even if the war should be of considerable duration.

See War Diary, Part B, Vol. V, for the Fuehrer's directive and corresponding directive from the Naval Ordnance Division, Economic Section. Entry is made as per Operations Division, Naval Staff, 1/Skl 54770/geh.

Situation 13 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

British naval forces captured the French steamer FORMIGNY and escorted her to Gibraltar. The U.S. Coast Guard seized the French liner NORMANDIE and took the crews off all French ships lying in U.S. harbors.

South Atlantic:

According to an Italian report three destroyers and two monitors of the TERROR class arrived at Punta Delgada on 10 Dec.. The U.S. steamer AMERICAN PRESS reported an air attack off Puerto Rico on 13 Dec. and stated that it suspects that a U.S. Army plane was the attacker. The Naval Attache at Rio reports that oil depots at Para are under military guard. U.S. planes arrived in Para on 10 Dec.

Pacific Ocean:

The French Admiralty reports that new agreements were reached between French and Japanese authorities at Hanoi concerning the defense of Indo-China in view of the new situation. The agreements emphasize French sovereignty in Indo-

China. Press reports state that eleven U.S. naval vessels have anchored off Callao. U.S.-Mexican military agreements provide for reciprocal free passage of troops, and use of Mexican air bases by U.S. planes.

The Naval Attache at Rio reports that the petroleum harbor and dock installations in Santos have been occupied by the Brazilian Army since 12 Dec.

2. Own Situation:

In view of the military occupation of Santos harbor, the Naval Attache at Rio asks for authorization to destroy the engines of the German steamers WINDHUK and MONTEVIDEO.

The Naval Staff thereupon orders that the ships be kept from falling into enemy hands by destroying not only the motors, but as completely as feasible the entire ships (see Radiogram 2050).

The Commanding Admiral, Submarines is directed to send the Naval Staff Officer from ship "16", who is homeward bound aboard submarine U "68", to the Naval Staff for his report.

Reports about the enemy situation sent out by Radiograms 1934 and 2224.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reported sighting a convoy of fifteen steamers south of Milford, but no course was given. Radio monitoring intercepted directions issued from Plymouth to a British plane stating that the "object" is located 140 miles north-west of Cape Vilano and a report to another plane that the "object" was hit 60 miles off Cape Vilano. Radio intelligence deciphered a report from the British Assistant Attache at Madrid to the Intelligence Service containing a perhaps rather useful report from an alleged agent "Frutos French" who just arrived from Cherbourg:

a. The arsenal at Cherbourg is so badly damaged that only small jobs can be handled there. As a result, only very few submarines use that harbor.

b. Reliable sources from Brest report that SCHARNHORST and GNEISENAU are badly damaged and unfit for action.

c. Work on the PRINZ EUGEN is continuing day and night. The ship will shortly be ready for action.

2. Own Situation:

Atlantic Coast:

Group Command West orders commencement of operations for departure of ship "10" from Flushing. Enemy air activity near Brest at 1750. It was observed that one mine was laid. One enemy plane was shot down.

Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Lively enemy reconnaissance activity in direction of the southern Norwegian coast and German Bight in the afternoon, diminishing towards evening. Reports about sighting three German submarines off Ekerø were intercepted.

Own Situation:

Enemy air raids on Flushing and IJmuiden in the afternoon. No damage was reported. Bad weather interfered with the westbound convoys and minesweeping operations.

2. Norway:

Enemy Situation:

Nothing to report.

Own Situation:

The 8th Destroyer Flotilla with destroyers Z "23" to "27" and the TANGA arrived in Kirkenes in the afternoon of 12 Dec.. The 8th PT Flotilla with the LUEDERITZ anchored at Loedingen in the evening of 13 Dec.. One merchantman and the steamer MILOS ran aground.

The Commanding Admiral, Norway expresses his stand on the sinking of the steamer STEINBECK by submarine U "134" (see War Diary 12 Dec.) in Radiogram 1915. The message contains a preliminary resume of the neglects and grave errors which led to the tragic accident.

Group Command North sends orders by Radiograms 1242 and 1451 to check all measures that have been taken in order to avoid confusing our own vessels with those of the enemy, and to investigate the organizational setup with this in mind. Radiogram 1310 from the Commanding Admiral, Norway reports mine danger areas in northern Norway between Fugloe-Soroe and Vandoe-Fugloe.

The Naval Staff, Hydrographic and Meteorological Division is charged with immediate publication of these danger areas by radio and press.

Reports so far received by the Naval Staff do not indicate whether or not the mines have as yet been laid. The mine barrage is intended to protect that part of the coastal route which is not protected by small islands.

Though familiar with the escort vessel situation, Group Command North forwards with endorsement the request from Commanding Admiral, Norway for allocation of another patrol and reconnaissance flotilla consisting of at least eight vessels. These should be equipped with 88 mm. cannons, listening devices, and be capable of at least 8 knots. At present the number of escort vessels is so small that convoys cannot be escorted to the extent as heretofore. Approximately fifty merchantmen are lying in the Tromsøe area at this time and this number increases on an average of eleven ships a week. The eight coastal patrol vessels available cannot escort more than six or eight of these merchantmen to and from Kirkenes each week. The minesweeper and subchaser flotillas are so urgently needed elsewhere that they cannot be diverted to escort duty (see Radiogram 1240). To relieve the situation, it is planned first to transfer the 4th Minesweeper Flotilla, provided this will not excessively slow up the minesweeping operations north of Dagoe. Group Command North is afraid that this will be the case however, because the pinnaces can be used for minesweeping only in calm seas, since the spray causes excessive icing of the small craft. (See Radiogram 1236.)

Radiogram 1818 answers the inquiry from Group Command North to the effect that the 3rd Torpedo Boat Flotilla will be detailed to convoy escort duty in the territory of Group Command North and the Admiral, Norway as soon as the flotilla is ready for action. The Naval Staff agrees to use the 3rd Torpedo Boat Flotilla for mining operations in the Skagerrak as far as possible.

IV. Skagerrak; Baltic Sea Entrances; Baltic Sea:

Nothing to report.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance by the Fleet Commander, Atlantic, located several merchantmen in the mouth of the Tejo. A U.S.

radio station reported a German submarine near Fire Island Lightship on 13 Dec.

2. Own Situation:

Submarine U "453" sank the Spanish tanker BADALONA in the western Mediterranean and U "431" torpedoed an enemy tanker in the eastern Mediterranean. See War Diary, Part B, Vol. IV for further details. The German Armistice Commission, France notified the French that it was a German submarine which sank the steamer ST. DENIS.

VI. Aerial Warfare

1. British Isles and Vicinity:

An aerial torpedo attack by the 406th Bomber Group sank an enemy destroyer south of Milford in the night of 12 Dec.. Normal air activities by our Air Force during the day. Four enemy planes were shot down by our pursuit planes and six by anti-aircraft artillery. In the evening 25 planes flew a mine-laying mission in the Humber estuary, and two of our planes attacked ships, but without success. No enemy air raids on the Reich region.

2. Mediterranean Theater:

Successful air action in the battle for Libya and over Tobruk. For further details see Daily Situation.

The Chief of the Japanese Admiralty Staff told the Naval Attache, Tokyo that he hopes that attacks on the Suez Canal will increase now that British ships are to be transferred from the Mediterranean to the Pacific and in view of the situation in Russia. The German Naval Staff believes it is important to mine the Suez Canal in order to show proof of German-Japanese cooperation. The Armed Forces High Command, Operations Staff and the Commander in Chief, Air, Operations Staff are informed of this opinion by Radiogram 1551.

3. Eastern Front:

Air support for the Army.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

One British steamer with two landing craft on her fore-

deck arrived at Gibraltar on 12 Dec.. A convoy of nine vessels and a DIDO class cruiser, probably the HERMIONE, arrived in Gibraltar on 13 Dec. from direction unknown. This increases the number of ships in that harbor to 66 merchantmen and 12 tankers.

Central and Eastern Mediterranean:

Italian destroyers sighted three British destroyers off Cape Bon at 0300. The Italian convoy including the DEL GRECO and FILZI was sighted and reported on 12 Dec. by British air reconnaissance in the latitude of Cape Spartivento on northerly course. Radio station Malta was heard relaying the message. British surface forces were located in the morning of 13 Dec. on easterly course 20 miles north of Malta. Air reconnaissance located several steamers in the eastern Mediterranean near the Marmarica coast and off Alexandria. According to radio monitoring reports at least three cruisers and two groups of destroyers were operating in that area. The British battleships most likely were also at sea in the afternoon. Radio monitoring reports that the British steamer MYRIEL (3,560 BRT) was torpedoed between Alexandria and Tobruk. After this, another steamer returned to Alexandria under pursuit cover.

2. Own Situation:

The 3rd PT Flotilla arrived in Augusta at 0615. No reports of success.

3. Situation Italy:

Larger parts of the Italian fleet left in the afternoon of 13 Dec. to carry out convoy escort duty as planned.

The Italian cruisers BARBIANO and GIUSSANO en route from Palermo to Tripoli with 700 tons of food stuffs and ammunition aboard were set afire by British destroyers at about 0400. Supermarina reports that the cruisers must be considered a total loss. According to Reuter the attack was carried out by three British and one Dutch destroyers, which are also said to have sunk one torpedo boat and one PT boat. No military damage was caused by enemy air raids on Augusta, Patras, and Cotrone.

4. Transport of Supplies to North Africa:

The steamers DEL GRECO and FILZI, loaded with supplies for North Africa, were sunk by an enemy submarine south of Taranto. The supply ships from Italy did not arrive in North African ports. Three transport submarines and one torpedo boat are expected to arrive in Bardia. In view of the enemy situation it is feared that the two naval transport squadrons 52 and 53 cannot be sent across as planned.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

Italian agents report that three Russian tankers, which are at present lying in the Bosphorus, are about to sail into the Aegean Sea.

Own Situation:

Shuttle steamer "P III" was sunk by an enemy submarine by gunfire on her trip from Suda to Iraklion (Candia). Three motor sailships left for Bardia loaded with supplies.

Black Sea:Enemy Situation:

Nothing to report.

Own Situation:

The submarine DELFINUL cancelled her mission and returned to port. Transport of supplies to the Ukraine was postponed to 16 or 17 Dec.. According to the Rumanian Naval Mission, the Rumanian Naval Staff believes that it is both undesirable and unnecessary to reduce the number of German Army and Navy personnel assigned to coastal defense in order to cut down the need for Rumanian currency. The Rumanian Chief of Staff was not thinking of front line troops when he made his request for a reduction of German troops in Rumania. For reasons pertaining to personnel and training it is impossible for Rumania to take over German Army and Navy coastal batteries anytime soon. There are no objections to the withdrawal of the German 688th Reserve Battalion. (See Radiogram 1200.)

In view of the fact that the situation at the Southern Army Group has changed and there is a new commanding officer, the Naval Staff urges a personal conference between the Army and Navy Group Commands, South. This is desirable in order to clarify to what extent the Navy can assist the Army, and to synchronize future operations.

6. Situation France:

See War Diary, Part C, Vol. XVI, for the French Delegation's report of location of French Naval Units on 1 Dec. 1941 as given to the German Armistice Commission, France.

VIII. Situation East Asia1. Enemy Situation:

U.S. Admiral Hart reports that a battle between the U.S. Asiatic Squadron and Japanese naval forces ended at sun-

down when the Japanese withdrew. The U.S. Navy Department reports that the Japanese occupation of Guam was not yet confirmed in Washington at noon 12 Dec.. A British report states that the OKLAHOMA capsized and the TENNESSEE was set afire during the air raid on Pearl Harbor. One destroyer exploded and a minelayer was set afire. An Italian report states that one destroyer, one submarine, and another vessel were damaged by a Japanese bomber attack on Cavite, and that one U.S. merchant ship was sunk by Japanese submarine attack. Domei reports that the cruiser EDINBURGH became the flag ship of the British Far East forces.

2. Situation Japan:

The Japanese Navy reports that the ARIZONA was also sunk in the naval battle of Hawaii. According to the Japanese Naval Attache at Berlin, the Japanese Navy knows nothing about the sinking of another British battleship in the battle of Malaya.

IX. Army Situation.

1. Russian Front:

Southern Army Group:

An enemy attack on the northern flank of the 1st Armored Army collapsed in our defensive fire. The center of the enemy attacks on the 17th Army was directed at the sector south of Popasnaya. The enemy succeeded in penetrating our lines there and we withdrew. A further enemy breakthrough is to be prevented by bringing up all reserves within reach.

Central Army Group:

The enemy followed and harrassed the withdrawing parts of the Army Group and apparently mustered all available strength in order to widen the breakthrough at Livny. According to prisoners of war, the enemy intends to let the group which broke through our lines roll up our front to the north and advance up to the Yefremov area. On the 2nd Army sector the 45th and 143rd Infantry Divisions have orders to get through the enemy lines in a western direction. The newly brought up 56th Infantry Division engaged the enemy spearheads in order to relieve the situation. Withdrawal of the divisions of the XXXV Army Corps proceeding according to plan and without much interference. The enemy continued his attacks on the 2nd Armored Army and the 4th Army. The withdrawal of the V Army Corps is hampered by lack of fuel. The situation is critical. Less activity on the 9th Army sector.

Northern Army Group:

New enemy forces are under way along the line Vologda-Tikhvin. Enemy pressure on the 16th Army continues. The enemy

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succeeded in penetrating our lines on a divisional sector of the 18th Army but was pushed back by means of a counterattack.

2. Finnish and Norwegian Front:

The Karelian Army's operations at Povyenets are successful. Otherwise the situation is unchanged.

3. North Africa:

Our defense of the Bardia-Cirene-Halfaya area continues. Enemy attacks on the El Gazala position were repulsed. German casualties from 19 Nov. to 2 Dec.: 198 officers, 4,522 non-commissioned officers and men. Of these, 52 officers and 550 non-commissioned officers and men were killed.

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Items of Political Importance

France:

The French Government informed the U.S., Britain and Japan that France will remain neutral in the East Asia conflict. The alleged general mobilization in French Indo-China is denied. It is rumored that the French Government is willing to break off diplomatic relations with the U.S., should Germany desire such action.

Establishment of an Italian mission at Vichy was agreed upon during the Darlan-Ciano meeting. French shipments of raw materials to Italy are also said to have been discussed. The Italians have consented to free French prisoners of war (about 200).

The German Government has been informed by the French Government that the latter is considering conferring with the British Government about letting Britain use the Jibuti harbors and railroad in return for lifting the blockade on French Somaliland. Only limited British transit under Red Cross supervision is said to be under consideration.

Great Britain:

The press reports that the Allies are preparing a joint declaration against the signing of separate peace treaties with the Axis Powers. This declaration is to be made public after the Russian declaration of war on Japan, which may be expected sooner or later. Furthermore, a new Allied program for allocation of war materiel is to be worked out.

Eire:

On the occasion of the United States' entry into the war, De Valera declared that Eire will be benevolently neutral. The large number of American citizens of Irish descent explains this slight change in Eire's attitude.

U.S.S.R.:

Litvinov stated in Washington that Japan is the common enemy of all the Allies. The Russian spring offensive has already begun. While Britain has never been asked to launch a premature military offensive, it would be appreciated if Allied troops were put into action on Russian soil. The new situation in the Pacific would at worst only make it impossible to use Vladivostok as a port of entry for Allied shipments. While the Russian press and radio remained neutral in the American-Japanese conflict up to 12 Dec., the newspaper Pravda since that date has begun to attack Japan quite openly.

U.S.A.:

The U.S. State Department announces that the Swedish liner KUNGS-HOLM (20,000 BRT) has been seized by the U.S. Government. The reason given for this action is that the ship cannot continue to sail, and under those circumstances dock fees would become unnecessarily high.

Japan:

The Dutch Government in Exile has now forwarded a declaration of war to Japan.

Special Items:

I. In view of the developments in the Pacific which came as a surprise to the Anglo-Saxon powers, it seems highly possible that the U.S. Government will consider it necessary to extend its strategic influence to the Azores, Cape Verde and French West Africa, the direction of least resistance, in order to gain quick results. This again increases the need for Franco-German collaboration. For the information of the Armed Forces High Command the Naval Staff therefore sends the Naval Liaison Officer at the Armed Forces High Command a detailed statement concerning the necessity and possibilities of France's defense of her African Colonies against Britain and the U.S.. See War Diary, Part C, Vol. XVI for a copy of the text.

II. The Swedish Naval Attache at Berlin forwarded figures on the transportation of Germans on furlough from Norway to Germany and back via the Swedish railroads, and other Swedish services for Germany and Finland. These figures show that between July 1940 and 1 Nov. 1941, on the average about 1,400 members of the German Armed Forces per day were transported to Norway via Sweden, as well as 1,000 to 1,500 loaded freight cars per month. Approximately 75,000 tons of German Armed Forces' materiel was transported to Haparanda via Sweden during this time. More than 70 German ships of approximately 420,000 BRT were convoyed through Swedish territorial waters by Swedish air and naval forces since 22 June 1941 without accidents. The German-Swedish trade exchange rose in proportion with the increase in the clearing sum from 800,000,000 in 1938 to 1,800,000,000 Swedish crowns in 1941. Swedish ships have had to transport the bulk of these goods. The Swedes instituted measures to improve the ore shipping facilities from Narvik and Lulea so that the daily export via Lulea sometimes rose as high as 45,000 tons. Sweden delivered to Finland approximately 50,000 tons of foodstuffs and 13,500,000 crowns worth of war materiel and granted credits of about 300,000,000 crowns.

Britain no doubt has been informed about the volume of these supply movements just as well as we. However, it must be admitted that these not inconsiderable Swedish accomplishments from the point

of view of our warfare fully justify our consenting to the continuation of the so-called Goeteborg traffic (Swedish ships sailing to South America, Tr.N.).

Situation 14 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The RAMILLIES and the destroyers DOUGLAS and BROKE are at sea near Iceland. According to Spanish reports a convoy consisting of approximately 30 ships left Gibraltar in the afternoon in westerly direction. UNICORN is among the escort vessels.

South Atlantic:

The German Naval Attache at Tokyo reports that Trinidad is the meeting place for convoys in the West Indies. The tankers and bauxite transport ships assemble there. The harbor of Port of Spain is protected by air and naval forces. Between 20 and 50 ships are in the harbor daily. German nationals have been interned on the leper island of Chacachacare until they can be transported to Canada.

Pacific Ocean:

A directive from Cavite orders all U.S. ships bound for Manila to go to Borneo, Java or Australia until further notice. The Clearwater radio station directs all merchant ships in the Pacific to by-pass Oahu island at night by at least 45 miles, and issues a submarine warning for the waters between Hawaii and the West Coast.

2. Own Situation:

The blockade runner KULMERLAND was located by Japanese naval forces on 12 Dec. near the Bonin Islands.

Reports on the enemy situation by Radiogram 1616.

On 12 Dec. the Naval Staff gave Group Command West permission for BENNO to sail.

II. Situation West Area

1. Enemy Situation:

Nothing to report.

2. Own Situation:Atlantic Coast:

The commanding officer of M "4403" was wounded on 13 Dec. during an enemy air raid on our ore transports from Bilbao. The Gironde has been closed to shipping because air-laid mines are suspected there.

Channel Coast:

The first day of the transfer of ship "10" went off according to plan. Departure from the intermediate port Cherbourg was postponed for twenty four hours.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

Convoy FS 71 anchored off the Thames and is scheduled for arrival on 15 Dec.. A small British merchantman sank on 8 Dec. off Cromer after hitting a mine.

Own Situation:

Nothing special to report.

Group Command North reported on 10 Dec. that the commander of pursuit planes for the Holland-Ruhr region will no longer be able to continue to furnish the requested air escorts for the Navy beginning 10 Dec., since a considerable number of his planes have been transferred. Alarm starts are only possible in the area from The Hague to Helder and then only in the most urgent instances. However, Group Command North cannot do without pursuit cover.

A corresponding request from the Naval Staff is sent to the Commander in Chief, Air.

2. Norway:Enemy Situation:

Air reconnaissance reports that two ships of approximately 4,000 BRT each are lying in Kem harbor. The harbor and the Gulf of Kandalaksha are frozen over. A navigational channel in the ice can be seen. The presence of a submarine in the Varanger Fjord leads us to suspect mine-laying operations there.

From monitoring radio telephone conversations it was learned that the point of rendezvous for British and Russian submarines is 15 miles north of Nordkyn.

Own Situation:

The 8th Destroyer Flotilla reports that mines were delivered at Kirkenes. The 3rd Minesweeper Flotilla was given the task of sweeping the entrance to the Varanger Fjord. The Norwegian coastal steamer TOPAS (142 BRT) was sunk by enemy bombing northwest of Haugesund.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

The Finnish flag was hoisted over Hogland.

The fire aboard the floating naval quarters of the 25th Submarine Flotilla LOFJORD in Neufahrwasser, reportedly caused by negligence, has not been extinguished so far in spite of the fact that all available extinguishing devices were used. The ship is therefore burning out. There are 28 dead (among them two submarine commanders, one chief engineer and five gunnery and mining officers) or missing, and eleven badly wounded (see Radiogram 1500).

These fires aboard floating quarters must be prevented at all cost. The watch and security service must be intensified. The Naval Staff, Quartermaster Division and the Naval Staff, Submarine Section will take further measures.

V. Submarine Warfare

1. Enemy Situation:

A surfaced submarine attacked the British tanker CONFIDENCE (8,494 BRT) about 300 miles west of Rockall. It cannot have been one of our submarines. Air patrols reported sighting several submarines in the Gibraltar area. The convoy leaving Gibraltar, probably HG 77, consists of 32 vessels, which are escorted by UNICORN, 10 corvettes, 5 gunboats and 3 destroyers. This constitutes a remarkably strong escort.

2. Own Situation:

See War Diary, Part B, Vol. IV for reports on submarine operations and successes in the Atlantic and Mediterranean, especially about the sinking of a British cruiser off Alexandria by submarine U "557". See War Diary, Part C, Vol. IV for observations by the Commanding Admiral of Submarines on the submarine

situation of 11 Dec.. Entry made as per Operations Division, Naval Staff, 1/Skl op. 2112/41, Gkdos. Chfs.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

Fifteen Ju 88's attacked a British naval force consisting of one battleship, two cruisers and nine destroyers but unfortunately without success. See Enemy Situation, Mediterranean for further reconnaissance reports.

3. Eastern Front:

Normal air support of the Army concentrating on rail communications.

4. Organization:

The Fleet Command asks approval of its request to transfer Squadron 1/196 from Stavanger Sola back to the Western Area. The squadron was transferred under option of recall to the Air Force Commander, North, where it is at present, and it is planned to use it on shipboard from the middle of January on. (See Radiogram 0830.) The Naval Staff sends a corresponding request to the Air Forces High Command, Fleet Staff.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

Nothing to report.

Central and Eastern Mediterranean:

Italian reconnaissance reports that an enemy transport landed troops northwest of Ras Azzaz, i.e. east of our own positions. Italian radio monitoring states that British battleships and the Malta Group probably were at sea on 13 Dec. A strong enemy naval force was located by aerial reconnaissance in the sea area north of Ras Azzaz and was tracked continuously. This enemy force presumably was for the protection of the landing operation. Reports as to the strength of the force varied, ranging from one to three battleships or two to three cruisers with a correspond-

ing number of destroyers. They were reported on northwesterly course until 1300 and from then on southeasterly. Besides this strong naval force, another naval force consisting of one cruiser, three destroyers and two submarine chasers was sighted off Marsa Matruh. As far as could be observed under poor visibility conditions one cruiser, three destroyers and several steamers were lying in Malta in the morning.

2. Own Situation:

The arrival of the 3rd PT Flotilla in Augusta on 13 Dec., reported by the German Naval Command, Italy, was obviously an error, since the night of 13 Dec. the same Command ordered the flotilla to turn back if no target was found by 0300, and thereafter a report of arrival was made on 14 Dec., 0930. The flotilla sighted nothing.

3. Situation Italy:

Nothing to report.

4. Transport of Supplies to North Africa:

No ships with supplies from Greece or Italy arrived in North African ports on 14 Dec.. The torpedo boat and the three transport submarines also did not reach their ports of destination on that day. The scheduled large supply convoys were divided into three sections which left according to plan on 13 Dec. and 14 Dec. under strong air and naval protection. Convoy No. 3 consisted of the steamers DEL GRECO and FILZI, the sinking of which was reported off Taranto on 13 Dec. (see War Diary 13 Dec.). Convoys Nos. 1 and 2 (No. 1: Steamers PISAM, MONGINEVRO, NAPOLI. No. 2: Steamers ANKARA and CAPO D'ORSO) returned to port on 14 Dec. in view of the enemy situation. The escort and security forces evidently turned back too. No accurate reports are available so far. See War Diary, Part C, Vol. XIII for the report from the German Naval Command, Italy concerning the plan for execution of the mission. Entry made as per Operations Division, Naval Staff, 1/Sk1 op. 2117/41 Gkdos. Chfs.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

Nothing to report.

Own Situation:

A submarine unsuccessfully attacked the net layer PANIGAGLIA and her escort on their way to Suda. We may presume that the attacker was damaged or even sunk by the depth charges released.

Black Sea:

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Enemy Situation:

The German Naval Attache at Istanbul reports that the Russians will deliver a total of 80,000 tons of fuel to the Turks. The tankers which are scheduled to return to Batum to haul further loads were still lying off Istanbul on 13 Dec.. Only one single Russian tugboat with two tankers has so far been sighted between Trebizond and Batum.

In view of this situation, Group Command South deems it unnecessary to assign additional submarines in order to prevent Russian tankers from leaving through the Dardanelles in southerly direction.

The XLIV Army Corps reports that four large transport vessels were sighted leaving Sevastopol in the morning.

Own Situation:

The steamer CARPATI is no longer icebound and has departed for Nikolayev with the steamer TISSA. Otherwise nothing to report.

6. Situation France:

The destroyer VAUQUELIN and the submarines ARGONAUTE and DIANE left for Oran on 13 Dec.. Thus all the reinforcements granted are under way.

VIII. Situation East Asia:

Nothing to add to the reports appearing in the press.

IX. Army Situation

1. Russian Front:

Southern Army Group:

No change in the Crimean situation. Only little activity on the sector of the 1st Armored Army in view of bad road conditions. The force of the enemy attacks also diminished in the 17th Army Sector. The enemy penetration at Popasnaya was repaired and heavy losses were inflicted on the enemy.

Central Army Group:

The situation on the sector of the 45th Infantry Division is not yet clear. Withdrawal of the positions west of Yefremov as well as along the line Volovo-Dyedilovo proceeded

according to plan. Isolated attacks on further divisions of the 2nd Army were repulsed. Some enemy attacks on the 4th Army sector, mainly on the divisions of the 3rd and 4th Armored Group west of Kursk were repulsed and others are still in progress. Kalinin which was heavily attacked by enemy air forces, is scheduled for evacuation during the night of 14 Dec.

Northern Army Group:

Enemy attacks south of Lake Ilmen on both sides of Volkhov and an advance from Leningrad were repulsed.

2. Finnish and Norwegian Front:

The II Finnish Army Corps and the 1st Jaeger Brigade succeeded in establishing a bridgehead across the White Sea Canal at Povyenets. The railroad Maselskaya-Velikaya Guba was crossed.

3. North Africa:

The enemy achieved only small territorial gains in an attack on the Gazala position. Our reconnaissance located a concentration of about 2,000 to 3,000 combat vehicles, among them tanks, in the area south of Sidi Barani. These are no doubt reinforcements newly brought up from the Middle East.

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Items of Political Importance

Vatican:

Authoritative Vatican circles frankly criticize Roosevelt's attitude, holding it responsible for the spreading of the war.

U.S.S.R.:

United Press reports that conferences are under way in London at which an Anglo-Russian agreement is being discussed. The agreement is to include a full military alliance, transfer of British naval forces to a sector of the Soviet Union, and opening of a second European front.

Turkey:

A report from the German Ambassador states that Japan's entry into the war and her astonishing initial successes have caused grave concern in influential Turkish circles. In Foreign Ministry circles the German situation is regarded as considerably improved.

U.S.A.:

While the American people were not quite ready for a European war, Roosevelt may count on their solid support in the war against Japan. The character of the Japanese surprise attack will no doubt cause a strong flare-up of national consciousness and thus make any propaganda on the part of the U.S. Government superfluous. The war against Japan means a concentration of all energy on the armament of the U.S. Armed Forces themselves, with consequent limitation of the aid extended to foreign countries; a transfer of main U.S. activity from the Atlantic to the Pacific in so far as U.S. commitments on Iceland permit; institution of convoys in the Pacific; the closing of Vladivostok. It also jeopardizes certain raw material imports. The heavy losses suffered by the Anglo-Saxon fleet have caused great consternation in the Government and Congress. The press points out the discrepancy between the pitiful state of affairs and the braggadocio that preceded it. There is considerable anxiety in the Eastern States (? Tr.N.), caused by fear of Japanese air raids.

Argentina:

According to diplomatic reports the problem of fortifying the Straits of Magellan is to be considered without haste. Fortification would be in violation of treaties concluded in 1881, which neutralized the Straits for all time to come and assured free passage for all ships. The question of the old treaty was probably raised for the sole purpose of gaining some concessions from the United States.

South America:

Brazilian diplomatic circles are of the opinion that the Latin American countries will experience a letup in U.S. pressure as a result of the American-Japanese war, and that this will be beneficial. The coming conference at Rio de Janeiro will hardly result in more than a platonic declaration of sympathy for Pan American interests and be of little practical value to the U.S.. Recently it has been established that Uruguay declared war neither on Japan nor Germany. However, since Cuba and Guatemala declared war, all the small Central American states are to be regarded as hostile.

China:

The Japanese-inspired Chinese press in Shanghai has already launched an attack on the white race. German nationals in Chungking China will not be interned.

Japan:

The official title of the present conflict is: "The War of Greater East Asia".

Conference on the Situation with the Chief, Naval Staff.

I. After close observation of the Mediterranean situation it is impossible not to be concerned about the possibility of enemy action against Crete. Developments must be followed carefully in order to permit timely intervention by submarines, should conditions warrant it.

II. The Chief, Naval Staff, Quartermaster Division reports on the production of engines for PT boats. If it proceeds according to plan there will be a 50% reserve in PT boat engines by this coming summer. An additional report is made on the procurement of iron for the construction of transport vessels. It becomes unnecessary to send Staatsrat Blohm on his mission since at his suggestion the Deutsche Werft has been commissioned to construct the 1,200 ton vessels also in foreign shipyards, and the Minister of Transportation has done everything possible to launch the building program of new merchant vessels. The number of ships built will depend exclusively on whether the iron quota which the Fuehrer granted to the Chief, Naval Staff on 12 Dec. will actually be allocated.

III. On the basis of the minutes, the Chief, Naval Staff reports on the decisions made by the Fuehrer at the conference on 12 Dec. (compare War Diary 12 Dec.).

Situation 15 Dec. 1941I. War in Foreign Waters1. Enemy Situation:North Atlantic:

RAMILLIES was located on a north-south route, presumably with convoy WS 14. ROYAL SOVEREIGN, which escorted convoy WS 12 Z, was located in the Freetown area on 13 Dec.. According to documents available to the Japanese Navy, the following British ships are in repair in U.S. ports: Carriers FORMIDABLE and ILLUSTRIOUS; battleships WARSPITE and MALAYA, the latter doubtful; cruisers DIDO, ORION, LIVERPOOL, NEWCASTLE, MANCHESTER; destroyers BIRMINGHAM, NASTURTIUM, FIREDRAKE; corvette PRIMROSE; auxiliary cruisers MINESTEUS and CALIFORNIA. According to reputedly reliable sources, Britain and the U.S. intend to occupy the Azores, Cape Verde and Dakar in the near future.

It is entirely possible that only Japan's unexpected entry into the war caused a temporary postponement of this plan.

South Atlantic:

Radio monitoring service reports the auxiliary cruisers BULOLO and ASTURIAS east of Rio and Bahia. DEVONSHIRE and auxiliary cruiser CANTON are en route to Freetown. Colombia has put her ports at the disposition of the U.S.. Uruguay is said to plan installation of a naval and air base in the province of Rocha. Press reports state that the Lloyd Brasileiro has not yet received directives to discontinue trips to Europe. The Argentine Navy Department on the other hand, has issued orders to all ships to return home or to enter U.S. ports.

Indian Ocean:

Press reports state that the Dutch cruisers DE RUYTER, JAVA, TROMP and presumably also SUMATRA, as well as seven destroyers and twelve submarines are in the East Indies.

2. Own Situation:

Nothing to report.

II. Situation West Area1. Enemy Situation:

The German Consulate at Santander reports that on 12 Dec. British planes unsuccessfully attacked the Spanish coastal steamer TREVILLA and one French coastal steamer about 1/2 mile

off the coast of Cape Mayor.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

The Army Battery at Cape Gris Nez shelled the radio station at Dover. 20 rounds were fired, effect was not observed.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Limited air activity.

Own Situation:

Nothing to report.

2. Norway:

Enemy Situation:

No reports.

Own Situation:

LUEDERITZ, the 8th PT Flotilla and the 15th Minesweeper Flotilla arrived in Tromsø. Enemy air activity over Oslo. Minelayer COBRA departed from Swinemunde and is proceeding to the North Area.

Concerning the STEINBECK affair, the Commanding Admiral, Submarines and the Commanding Admiral, Norway disagree as to the guilt of the commanding officer of the submarine. The Commanding Admiral, Submarines is of the opinion that the commanding officer of the submarine cannot be blamed in view of incomplete or nonexistent information on conditions in the North Area. The Commanding Admiral, Norway, on the other hand, is of the opinion that every submarine commander must realize that it is highly probable that some of our own convoys will be in the vicinity of our bases. Therefore only those convoys should be attacked which have definitely been identified as those of the enemy (see Radiogram 1110 of 14 Dec. and 1655 of 15 Dec.).

The merits of the case can only be discussed after we have the reports from the investigating authorities.

The Commanding Admiral, Norway deems it necessary that at least nine submarines be at his disposal if three submarines are to patrol the Arctic Ocean at all times. He is of the opinion that in view of the extent of the operational area and the almost complete absence of aerial reconnaissance it will be necessary to have several submarines operate simultaneously if they are to be effective at all. Thus three submarines in the operational area would constitute an absolute minimum which should be raised very soon. Furthermore, Commanding Admiral, Norway objects to the practice followed so far of assigning to him only new submarines which have had no combat service. According to Commanding Admiral, Norway, the Admiral, Arctic Ocean should be assigned experienced submarine commanders and the submarines under his command should not be changed so frequently. The Commanding Admiral, Submarines was asked by the Naval Staff to give his opinion on the subject, and he reported that it will most likely not be possible to comply with the request of the Commanding Admiral, Norway, since this would necessitate the transfer of experienced submarine commanders and seasoned submarines from the Atlantic and the Mediterranean. However the Commanding Admiral, Submarines is willing to leave the submarines in the Northern Area for a longer period of time so that they can complete more than one mission. This will be done insofar as time and other circumstances allow. The Naval Staff agrees with the Commanding Admiral, Submarines. See War Diary, Part C, Vol. IV for the corresponding teletype. Entry made as per Naval Staff, Operations Division, Liaison with Submarine Section, 1/Sk1 Iu 2085/41 op and 2110/41 op Gkdos. Chefs.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

V. Merchant Shipping:

The Intelligence Division, Naval Staff drew up a comprehensive report on the world tanker space, its extent, activities and missions. It concludes that 2,572,227 BRT of tanker space are at present still available for supplying the British homeland, and that another 938,181 BRT are available to supply the rest of the Empire. Counting on five round trips annually, these tankers have an annual capacity of about 26,000,000 tons. Since the estimated maximum oil consumption of the British Empire is approximately 25,000,000 to 26,000,000 tons, the British oil supply is so far still assured. This calculation does not even take into account supplies on hand or tankers that may be built. A summary may be found in report No. 34/41 of the "Foreign Merchant Shipping" series of the Intelligence Division, Naval Staff.

VI. Submarine Warfare1. Enemy Situation:

The Norwegian steamer NIDARDAL (2,368 BRT) was sinking on the evening of 15 Dec. about 250 miles southwest of the Rockall Bank. Aerial reconnaissance repeatedly located submarines in the sea area west of Gibraltar. An Italian report states that the convoy which left Gibraltar 14 Dec. in a westerly direction has turned back and returned to the Mediterranean. No confirmation of this highly improbable report has yet been received from radio intelligence.

2. Own Situation:

Two or three FW 200's are on aerial reconnaissance to locate the convoy near Gibraltar. Submarine U "557" reports details on the sinking of the enemy cruiser in the eastern Mediterranean. The report states that the cruiser, presumably of the AURORA class, was sailing as the third ship in a column and was hit by three torpedoes at a distance of 2,500 meters. The cruiser sank within two minutes after a violent boiler or ammunition explosion. The crew of the tanker BADALONA, which was sunk by a German submarine, arrived in Malaga on 13 Dec.. The captain of the tanker is not certain about the nationality of the attacking submarine. The German Naval Attache at Madrid reports that there is great excitement in the Spanish Navy about the recurrence of such an incident and, if possible, asks for confirmation that no German submarine is involved. For further discussions with the Foreign Office concerning this matter see War Diary, Part C, Vol. VIII. See War Diary, Part B, Vol. IV for a detailed report on the situation including the distribution of the submarines in the operational zones in the Atlantic and the Mediterranean.

VII. Aerial Warfare1. British Isles and Vicinity:

No important events during the day. In the evening 27 planes went on a mine-laying mission in the mouth of the Humber. 8 planes flew armed reconnaissance missions against shipping without success.

2. Mediterranean Theater:

Nothing to report.

3. Eastern Front:

There are no reports on hand as yet concerning aerial activity in the East. See Enemy Situation, Black Sea for reports on reconnaissance mission.

4. Organization:

See War Diary, Part C, Vol. V for the opinion given by Naval Staff, Operations Division concerning the return transfer of naval officers attached to the Air Force before expiration of their tour of duty. Entry made as per Naval Staff, Operations Division, 1/Skl 28560/41 Gkdos.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

Nothing to report.

Central and Eastern Mediterranean:

Until the evening of 14 Dec. aerial reconnaissance and submarines repeatedly sighted the strong enemy naval forces which operated on 14 Dec. south of Crete. On 15 Dec. aerial reconnaissance sighted 2 or 3 cruisers, 4 destroyers and 7 steamers in Malta. Aerial reconnaissance over the sea region off Tobruk located a convoy of 4 merchantmen and a naval force consisting of 1 battleship, 2 cruisers and 3 destroyers on a westerly course. 3 destroyers were sighted off Alexandria on an easterly course.

2. Own Situation:

Nothing to report.

3. Situation Italy:

A belated report states that VITTORIO VENETO received a torpedo hit from an enemy submarine the morning of 14 Dec. at the southern exit of the Straits of Messina. Repairs will take six weeks.

4. Transport of Supplies to North Africa:

There are as yet no reports of the scheduled arrivals of torpedo boats and transport submarines in the ports of Benghazi, Derna and Bardia.

The German Naval Command in Italy reports that the interrupted supply operation is scheduled to be resumed on 16 Dec. in the form of 2 convoys. These will be accompanied by a convoy escort group consisting of battleship DUILIO, cruisers AOSTA, ATTENDOLO, MONTECUCCOLI, and an auxiliary group consisting of the battleships LITTORIO, DORIA, CESARE, cruisers GORIZIA, TRENTO, and 10 destroyers. Convoy No. 1 will include three steamers for Tripoli, convoy No. 2 one steamer for Benghazi.

5. Area Naval Group South:Aegean Sea:

Transport operations proceeding according to plan without noteworthy events.

Black Sea:Enemy Situation:

Aerial reconnaissance reports 11 large, 8 medium and small steamers in the harbor of Sevastopol. Further ships are on their way to the port. A convoy with five apparently loaded merchantmen under torpedo boat escort was reported near Cape Kherones. No course was given.

Own Situation:

The steamer CARPATI is again icebound. Otherwise nothing to report.

IX. Situation East Asia1. Enemy Situation:

News analysis of the Naval Staff, Intelligence Division concerning Singapore in the "Foreign Navies" series No. 45/41.

According to Reuter and radio reports, a series of successes were allegedly scored against the Japanese naval and air forces. However, proof or confirmation of these cannot be produced. Particularly the claim of sinking the HARUNA is maintained, and in this connection special attention is called to the heroic death of U.S. Captain Colin Kelly. Furthermore, Dutch submarines are said to have sunk four loaded Japanese troop transports off Patani and southern Thailand, resulting in the drowning of 4,000 Japanese.

2. Situation Japan:

The Chief of the Japanese Admiralty Staff reported to the German Naval Attache at Tokyo that the attack on Borneo is scheduled to start within the next few days in view of the elimination of the British battleships and the good progress made in other operations.

In view of the great significance of Singapore to the British position, Britain is expected to do everything possible to hold this point. It is therefore expected that Britain will transfer her battleships from the Mediterranean and the Atlantic to East Asia. Since fullest confidence can be placed in the Japanese

Naval Air Force, Japan only welcomes such a development. Guam is fully occupied by the Japanese. A landing on Wake has not yet taken place because of the bad surf. As soon as weather conditions permit, the landing will take place.

Only six aircraft carriers took part in the attack on Pearl Harbor. Since the water at Pearl Harbor is only 12 meters deep, a special torpedo was used which was developed for this specific purpose as the result of experiments lasting several years. PRINCE OF WALES was hit by two bombs and fifteen torpedoes.

X. Army Situation

1. Russian Front:

Southern Army Group:

Only little activity on the entire front of the 1st Panzer Army because all the roads are out. Enemy attacks, some of them rather strong, were repulsed in the 17th Army sector. Little movement in the 6th Army sector.

Central Army Group:

The 2nd Army arrested enemy penetrations at Livny. Our own losses of materiel are considerable. The XXXV Army Corps is withdrawing to the Kalmka position and further north. North of Tula the enemy is attacking the withdrawing 3rd Armored Division. A strong enemy attack with air support was repulsed on the new line from Dyedilovo to the west. The 2nd Army and the 2nd Panzer Army were combined into the 2nd Army Group under General Guderian. Only little action on the 4th Army sector. On the 9th Army sector, the evacuation of Kalinin has begun according to plan. Heavy enemy attacks on the VI Army Corps west of Kalinin.

Northern Army Group:

Very heavy enemy attacks on various sectors of the Army Group, especially on both sides of Volkhovstroy. Enemy mass attacks from Leningrad to the south.

2. Finnish and Norwegian Front:

No change in the situation.

3. North Africa:

A 4 km wide enemy penetration in the Gazala position had not been stopped by evening.

General Rommel intends to hold the area south and southwest of Gazala through 16 Dec. but thinks subsequent withdrawal in the

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direction El Mechili-Derna will be unavoidable. The stamina of the troops has deteriorated after four weeks of uninterrupted fighting with severe casualties, particularly in view of the fact that reinforcements and supplies by sea never arrived. The Commander, Air, North Africa has only enough fuel on hand for one mission, unless the Ju 52's and destroyers bring supplies.

The serious set-back which is readily apparent here is the unavoidable result of the failure to solve the supply escort problem, the importance of which the Naval Staff pointed out time and again when something could still have been done about it. The feeble manner in which the Italian naval forces carried out their missions which resulted in failures, the unshaken enemy base of Malta in the middle of the area through which our supply transports must travel, and the inadequate measures taken by the Axis Air Forces to keep the sea lanes to North Africa open, have for all practical purposes completely throttled our supply transports to Africa for many weeks. Only the incredible toughness of the German Africa troops and their leaders is responsible for the fact that resistance continued for so long, and that the enemy had to pay for his success so dearly.

16 Dec. 1941

Items of Political Importance

Netherlands:

Seyss Inquart made a speech on the occasion of the 10th anniversary of the Dutch National Socialist Movement. He announced that only such political orientation as finds expression in the National Socialist Movement under Mussert will henceforth be tolerated. All other organizations and political movements will be dissolved.

Great Britain:

It is said that all London headquarters of European governments in exile are to be transferred to Washington. The conferences on the agreement with Russia are progressing rapidly. The forthcoming agreement is to be the continental supplement to the Atlantic Charter. It is said that the British Government has resolved not to press the Russians for a declaration of war on Japan so long as Russia's main task is the fight against the German armies.

U.S.S.R.:

United Press reports that the Soviet Government has returned to Moscow.

Turkey:

A report from the German Embassy states that the attitude of the Turkish press is in no way favorable to Germany. A venomous article in the newspaper Vatan states that the Anti-Comintern Pact serves no other purpose than that of procuring cannon fodder for the German campaign against Soviet Russia. The so-called "European Solidarity" is but another way of saying "Enslavement of Europe". Neither orders nor seizures by the Government have so far been able to do away with this anti-German attitude in the majority of Turkish newspapers.

U.S.A.:

Secretary of the Navy Knox personally conducted an investigation of the shortcomings of the U.S. Hawaii Command. After his return he made the statement that the battleship ARIZONA and the training ship UTAH are lost, but that the capsized battleship OKLAHOMA can be raised. In addition, three destroyers and one minesweeper were also sunk. According to Knox, these losses have not upset the naval balance of power in the Pacific. The fifth column was more effective in Hawaii than anywhere else, with the possible exception of Norway previously. A copy of the full text of the Knox declaration may be found in War Diary, Part B, Vol. V.

Japan:

The Japanese press has started a campaign against the British-coined designation "Far East". They maintain that East Asia is the center of the world. As a matter of fact, in many instances the terms "Anglo-Saxon" and "White Race" have come to be used interchangeably in this war of ideologies.

China:

Britain requested Chiang Kai Shek to live up to the obligations of the Chinese military pact with Britain and the United States.

Conference on the Situation with the Chief, Naval Staff.

I. The Chief, Naval Staff, Quartermaster Division reports that priority ratings for armament production have been changed. The report is based on information received from the Mercedes-Benz Company which states that the Air Force receives preferred treatment under the new setup. The Navy Ordnance Department explains that the new priority ratings pertain only to armament manufacturers who are entering the industry and who can produce only if they are allotted an additional number of workmen. This will not affect the basic priority system. The matter is under investigation.

II. The Political and Propaganda Section, Naval Staff reports on the cessation of French shipping to Martinique and the United States. The Air Force sank an ore steamer in Spanish territorial waters near Huelva. The Fuehrer has decided that the Spanish Government is to receive an apology for this incident.

Special Items:

Deliberations by the Chief, Naval Staff, Operations Division, Fleet Operations Section on the problems and possibilities of German naval warfare against Britain and the United States are contained in War Diary Files "Fundamental Problems of Warfare".

Situation 16 Dec. 1941I. War in Foreign Waters1. Enemy Situation:Special Items:

See War Diary, Part B, Vol. V for Naval Staff, Operations Division report (1/Skl 29244/41 Gkdos.). This report con-

tains the probable locations of British naval forces as of 15 Dec. based on data obtained from radio monitoring and decoding.

The Naval Staff is especially anxious that reports concerning British naval forces offer an explanation for the unusually heavy concentration of merchant ships now at Gibraltar, and indicate when and where future enemy landing operations might possibly take place and what anti-submarine defenses there are around Gibraltar. A corresponding request was sent to the Naval Representative in the Foreign Intelligence Section of the Armed Forces High Command; copies to the Chief, Naval Communications and Naval Attache Section.

North Atlantic:

A foreign agent reports that a U.S. division is to be transferred to Gibraltar within a short time. Radio London states that only 13 out of 32 Axis vessels were able to break through the blockade. 13 Axis vessels were taken as prizes, and the others returned to their ports of origin.

The Spanish mail ship service to New York and Havana has been discontinued.

South Atlantic:

The radio decoding service reports that, besides ships so far located, the auxiliary cruiser DUNOTTAR CASTLE has been in the Freetown area since 3 Dec.

Pacific Ocean:

The radio decoding and monitoring services report that a danger zone was announced in the entrance to the Madura Strait (Java). It was also announced from Singapore that all beacons have been extinguished in Singapore, the Malacca Strait, Penang, on the eastern and western coast of Malaya, the coasts of Borneo, and the Dutch East Indies. On 11 Dec. the Commander of the 12th Naval District ordered all merchant ships in the northern Pacific to sail by way of a point located in 27° N, 127° W.

2. Own Situation:

The Naval Attache at Tokyo reported the arrival of the blockade-runner KULMERLAND at Kobe and the departure of OSORNO. He also reported that the entire Pacific Ocean has been declared a war zone, and that ships there will be attacked without warning. See Radiogram 2049 for further agreements between German Naval Station Tokyo and Naval Staff, Quartermaster Division, Shipping and Transport Branch concerning action to be taken by blockade-runners. Radiogram 2049 also contains special directives for rendezvous of motor ship PORTLAND with Japanese naval forces.

See War Diary, Part B, Vol. V for report 1/Sk1 Ik 28922/41 Gkdos. from the Naval Staff, Operations Division. This report

contains a copy of the recommendation and citation for awarding the Oak Leaf Cluster to the Knight's Cross of the Iron Cross to the commanding officer of ship "16", Captain Rogge.

Reports on the enemy situation by Radiograms 2043 and 2150.

II. Situation West Area

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Atlantic Coast:

Enemy air raids on Brest from 1245 to 1257 and from 2011 to 0021. Approximately thirty high explosive bombs were dropped. No ships were damaged. Group West reports that BENNO is scheduled to depart on or about 20 Dec.. The Naval Staff, Operations Division requests the Naval Staff, Quartermaster Division to have two fast tugboats in readiness beginning 15 Jan. 1942. Each of the tugboats must be powerful enough to tow a battleship (or heavy cruiser) from berth to roadstead or into the channel and back to berth at the required speed. These operations will become necessary during the impending maneuvers of the Brest Group vessels. For the text of the request from Naval Staff, Operations Division (1/Skl 29062/41 Gkdos.) see War Diary, Part B, Vol. V.

Channel Coast:

Limited enemy air activity near Dunkirk during the day. Between 1915 and 1950, coastal battery "Grosser Kurfuerst" fired twenty rounds of 28 cm. at an enemy convoy located off Dover on a southerly course.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

The radio decoding service reports that KING GEORGE V was probably conducting target practice in the Scapa Flow area at noon of 15 Dec.

Own Situation:

Lively enemy air activity over the Dutch coast and over Emden, Wilhelmshaven, and Cuxhaven. Vessels lying in the

ports were attacked unsuccessfully. The naval bakery and rail installations at the ship-fitting shop in Wilhelmshaven were slightly damaged. Between three and four hundred buildings were damaged in Emden. Naval anti-aircraft artillery shot down one enemy plane.

2. Norway:

Enemy Situation:

No new observations.

Own Situation:

The 8th Destroyer Flotilla departed for the operation along the Murmansk coast. Destroyer Z "26" returned to port because of engine trouble. Minelayers M "15" and M "17" were loaded for laying an anti-submarine barrage off Petsamo. One minesweeping cutter of the 56th Minesweeper Flotilla ran aground near Terningen. Two steamers collided while departing from Bergen. The western exit of the Brei Sound (east of Hammerfest) was closed to shipping because mines are suspected in that area.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

A court order confirmed the current internment of the eleven Norwegian steamers at Goeteborg. There is therefore no danger that these ships can escape in the near future. Proceedings to intern the remaining Norwegian ships in Swedish ports also have been initiated.

According to information obtained on separate occasions from prisoners of war, the Russian Baltic Fleet sustained the following losses up to the middle of November:

a. A total of 17 destroyers were sunk as follows:

(1) 7 destroyers were sunk by the German Navy with either mines or torpedoes (SMELY, STOROZHEVOI, SMETLIVI, STATNI, SUROVI, GORDI, and SKORI).

(2) 3 destroyers were sunk by the German Air Force with bombs (SERDITY, KARL MARX, and KALININ).

(3) 4 destroyers were sunk by mine hits and subsequent bomber attacks during the retreat from Reval (Tallinn). They sank with the entire crew (ARTEM, VOLODARSKY, SVERDLOV, and ENGELS).

(4) The prisoners knew nothing about how or where the other two destroyers (GNIEVNI and STEREGUCHI) were lost. PT boats and mines probably sank these in the Gulf of Riga (Irbe Strait). The Russians scuttled one destroyer (ENGELS) in Libau.

b. The prisoners know of a total of seventeen submarines sunk. Among these are twelve submarines of the 2nd Submarine Brigade (SHCH class, 500 to 650 ton submarines) including submarines "311", "312", and "313".

Furthermore, the prisoners know of the sinking of the following submarines: S "1", S "8", S "11", S "101", and S "106".

We have data showing the loss of the following submarines: RENIS and SPIDOLA. The latter was scuttled by the Russians in Libau. Submarine M "78" was sunk en route from Libau to Windau, M "77" hit a mine northwest of Vorms Island, and M "81" was probably hit by a torpedo south of Hangoe. Submarine S "3" was sunk by PT boat "35" between Libau and Stein Ort. Also sunk: one submarine of the M class by German submarine U "149" and one submarine of unknown class by German submarine U "140".

We may therefore count on having destroyed twenty five Russian submarines. Available data shows that the Air Force reported only destroying one Russian submarine on 29 Aug.

c. Damaged Russian vessels:

(1) Damaged by the Air Force with bombs:

One battleship (OKTYABRSKYA REVOLUTSIYA). Hit by a bomb in the middle of October. Has been repaired and is again ready for action. MARAT, badly damaged by bombs, is lying in Kronstadt, out of commission. Flotilla leader MINSK and destroyer SILNY.

(2) Damaged by the Navy with mines:

Cruiser MAXIM GORKI, flotilla leader LENINGRAD, destroyers STRASHNY and GROSNY.

d. Cruiser L (formerly LUETZOW) badly damaged in Leningrad by Army artillery bombardment.

e. Besides the above named larger vessels and submarines lost and damaged, between six and seven torpedo boats, several PT boats, and many minesweepers were sunk.

These ships were sunk primarily while on convoy escort and mine-sweeping duty.

2. Own Situation:

Group North reports the following losses sustained by our own naval forces:

- 1 submarine
- 4 minelayers; 3 of these were sunk in the Swedish mine field on their way home.
- 2 PT boats
- 5 minesweepers; 3 of these by explosion in Helsinki.
- 5 auxiliary minesweepers (3 fishing vessels, 2 luggers)
- 2 coast patrol vessels
- 2 submarine chasers
- 2 minelayers were lost during the sweeping of our own mine field off Kolberg.
- Torpedo depot ship MOSEL was lost in the mine field off Windau.
- A number of minelayers and minesweepers were damaged by bomb and mine hits.
- The cattle ship DELPHIN (255 BRT) was sunk in the western Baltic (Kiel Bay) where it hit a mine.

As far as allocation of minesweepers is concerned, we cannot risk a further delay in sweeping a mine-free channel to Helsinki. Sweeping operations in the zone of the Commander, Defenses, West are also extremely urgent. Therefore, the original order must stand and the 4th Sweeper Flotilla must remain in the east for as long as ice conditions permit sweeping operations. Only then will the sweepers be returned to the Commander, Defenses, West. Even though we must concede the difficulties which convoys encounter in northern Norway, it will be necessary for the Commanding Admiral, Norway to do the best he can with forces in his area. It is at this time impossible to aid him with reinforcements.

A corresponding notice is sent to Groups North and West as well as to the Commanding Admiral, Norway by Radiogram 1616. Group North also receives orders to investigate when it will be possible for them to transfer a flotilla of new minesweepers from their zone to Norway.

V. Merchant Shipping:

Report No. 35/41 of the "Foreign Merchant Shipping" series was issued by the Naval Staff, Naval Intelligence Division. The report contains the following information:

Data on British chromium ore imports from Turkey, carried by small Turkish vessels sailing within Turkish territorial waters and delivered to the port of Mersin where it is transferred to British vessels.

Data on shipping in the eastern Mediterranean, with special attention to Alexandria and Suez Canal ports. Data on whaling

between 1939 and 1940. It is estimated that ten to twelve floating factories with a total tonnage of 105,000 to 130,000 BRT will probably operate in the antarctic region during the whaling season from Dec. 1941 to the beginning of March 1942.

VI. Submarine Warfare

1. Enemy Situation:

Radio monitoring intercepted reports from enemy aircraft which state that a submarine was attacked 80 miles southwest of St. Nazaire and another one off Gibraltar. The enemy convoy, which according to Italian reports had returned to the Mediterranean, was located in the Atlantic. Its location was approximately 70 miles northwest of Casablanca at noon of 15 Dec.. The convoy is made up of the following vessels: 28 steamers, 1 aircraft carrier, 6 destroyers, and 4 coastal patrol vessels. The course of the convoy was not reported.

2. Own Situation:

Our aerial reconnaissance located an enemy convoy on westerly course about 100 miles west of Casablanca. German submarines established contact with the convoy. On 14 Dec. German submarines sank an unknown steamer of 7,000 BRT in the vicinity of Gibraltar. For a further report on the situation see War Diary, Part B, Vol. IV.

The need for regular weather forecasts forces us to lay out weather buoys. Radiogram 1717 directs the Commanding Admiral, Submarines to have submarines lay out two weather buoys in the Rockall Bank and Porcupine Bank areas. Details will be arranged directly between the Chief, Naval Staff, Meteorological Section and the Commanding Admiral, Submarines.

In connection with the sinking of steamer STEINBECK, Group North requests the Commanding Admiral, Submarines to advise all submarines in the zone of operations that German ships are sailing within the following areas: The entire Baltic Sea; the Baltic Sea Entrances; the Kattegat and Skagerrak; and along the sectors of the Norwegian, North Sea, and Channel coasts within the command zone of the Group. Therefore, ships in these areas are not to be attacked unless their enemy identity has been established beyond doubt.

The Commanding Admiral, Submarines reports as follows on the situation in the shipyards constructing submarines: "Present conditions in final fitting operations on newly built submarines in German shipyards must be improved at once. As a result of the manpower shortage, final fitting operations now require six to seven weeks instead of three to four weeks as formerly. Twenty four submarines are at present in final fitting. Every two weeks

an additional ten submarines arrive at each of the shipyards doing final fitting. Since submarines leave the shipyards at a much slower rate, because of the length of time needed to finish them, we may soon expect a complete congestion of German shipyards. This will entail a long delay in putting new submarines into action. For example, only two of the submarines in the final fitting stage will be completed by 20 Dec. while ten additional submarines will arrive on that day. This means that the number of submarines undergoing final fitting will at that time already have reached thirty two. The Commanding Admiral, Submarines proposes four remedies for this condition which makes submarine warfare practically impossible:

"(1) An immediate increase in the number of workmen assigned to submarine fitting. This can be done by discontinuing a great part of the repair work on surface vessels.

"(2) No further drafting of repair specialists into Army or Air Force. For example, the two shipyards in Danzig lost 350 workers to the Army only recently.

"(3) Make it a rule that final fitting and overhauling are done by the same shipyard which built the submarine. The original builder is more interested in completing his own submarine and works faster on it than on a submarine coming from another yard. In these shipyards submarines must be given priority over any repairs on surface vessels.

"(4) If no other alternative is found, then the construction of new submarines in certain yards must be curtailed until their manpower shortage for submarine repairs has been alleviated. The situation may also be improved by concentrating the construction of new submarines in shipyards of adequate capacity. This would mean that those smaller yards which need a month and a half for building a new submarine must transfer their contracts to the larger yards which have a specified number of workers. A decision must be made at once." (See Radiogram 2040.)

Naval Staff will review this urgent problem with the Naval Construction Division and the Chief of the Submarine Division of the Naval Staff. The final decision in the matter will be made by the Chief, Naval Staff. The proposals contained in Paragraph (4) will undoubtedly bring about the greatest improvement. Therefore, they will have to be put into practice without delay.

According to a new report from the Naval Attache, the Spaniards are certain that a German submarine sank the tanker BADALONA. If so, the Attache proposes sending a friendly, clear explanation to the Spanish Government, with the urgent request that Spanish ships be made to observe international regulations (Radiogram 1518). A clarification of the affair to this effect is already in progress. The Naval Staff deems it necessary to give the DOGGERBANK a submarine escort in view of her importance. The

Naval Staff tends to believe that the submarines departing for operation "Paukensschlag" on the U.S. East Coast will be able to escort the DOGGERBANK, in which case some delay in the ship's departure is acceptable.

Group West and Commanding Admiral, Submarines are informed accordingly. Both authorities are directed to review the matter together and to report their findings.

VII. Aerial Warfare

1. British Isles and Vicinity:

Armed reconnaissance reported that a 3,000 BRT steamer near Kinnairds Head and a 600 BRT steamer near Milford were damaged by bombs. Six enemy planes were shot down during daylight raids in the West Area. In the evening seventeen German planes went on mining missions in the Humber estuary. Eight planes went on armed reconnaissance against enemy shipping, and seven raided Dover. During the night of 16 Dec. enemy air activity in the Flensburg-Schleswig-Bremen area and over Brest (see Situation West Area).

2. Mediterranean Theater:

A delayed report of 14 Dec. tells of a Stuka attack on a cruiser. The cruiser received two bomb hits amidships and one hit close to the gunwale. The Stuka was hit by anti-aircraft artillery and was thus unable to observe further results.

3. Eastern Front:

Light aerial activity in support of the Army.

VIII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

The following vessels are lying in Gibraltar:

Task Force H without UNICORN
 2 auxiliary cruisers
 10 destroyers
 7 gun boats
 1 submarine
 32 steamers
 8 torpedo boats

A Spanish report states that one coastal patrol vessel sank in the Strait of Gibraltar after an explosion during the night of 10 Dec.

Central and Eastern Mediterranean:

The following vessels were lying in Malta during the morning and afternoon:

2 light cruisers
2 destroyers
several submarines
8 to 10 merchantmen.

Italian radio monitoring reports that AURORA or "Group Aurora" was at sea. Italian aerial reconnaissance reports that an enemy task force was at sea north of the Gulf of Sollum on a westerly course. The enemy force probably included a battleship, 2 cruisers, and 8 destroyers. Radio monitoring further located a convoy in the vicinity of the task force and 40 miles south of it another task force of 3 cruisers and 7 destroyers. Another Italian report states that a convoy escorted by a cruiser and several destroyers was en route from Haifa to Marsa Matruh. According to an Italian report 6 U.S. steamers arrived in Port Said during the night of 11 Dec.. These steamers unloaded 100 armored cars and 50 planes.

2. Own Situation:

The 3rd PT Flotilla consisting of four boats left on a mission at 1700.

3. Situation Italy:

Italian aerial photography reconnaissance on 11 Dec. shows a steamer with damaged stern in dock at Malta. This proves that the attack by the submarine TRICHESO on 30 Nov. was successful. (See War Diary 7 Dec.) However, no other evidence is available (see Radiogram 1300). There are as yet no reports that ships departed for the supply mission.

4. Transport of Supplies to North Africa:

Weather conditions are causing a delay of one or two days in the arrival of the transport submarines. Nothing further to report.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

The German Naval Attache at Istanbul reports that the Russian tankers SAKHALIN and AVANESOV departed at 0300 for the Marmara Sea.

Own Situation:

The German Naval Command, Italy, the 23rd Submarine Flotilla and Group South receive instructions that Group South or Admiral, Aegean is to dispatch a submarine at once in order to stop Russian tankers from breaking through. Copy of the directive is sent to Admiral, Aegean.

Black Sea:Enemy Situation:

The Russians attempted landings at Eupatoria during the night of 15 Dec., assisted by a Russian destroyer and two PT boats. German naval troops, military police, and Army coastal batteries repulsed the attack.

Own Situation:

The operation of the DELFINUL was discontinued because of weather conditions and overconsumption of fuel. Otherwise nothing to report.

Radiogram 1345 from Group South proposes that offices of the Reich Commissar at the Berlin Prize Court, Southeast be transferred to either Berlin or Vienna. Operations in the southeast theater no longer require that these offices be located permanently in that area. Further steps concerning this matter will be taken by the Naval Staff, Quartermaster Division.

It is planned to transfer a number of vessels from their home bases in Germany to the southeastern theater. In addition, Group South requests action as follows:

a. Transfer of an experienced PT flotilla to the Black Sea as soon as ice conditions in the Danube permit. The Russian situation leads us to expect a continuation of operations in the spring, in which case the Army will be very much dependent on Navy support. Group South considers a PT flotilla of at least ten boats best suited to render such support in the most effective manner. Naval support will be indispensable to Army operations. However, without such a flotilla such support will be as inadequate as it was this year because of lack of sufficient forces. We might try to transfer the flotilla to the Aegean Sea as soon as the naval situation in the Black Sea has been brought under control in the course of the next year. If this is still impossible, the flotilla can always be withdrawn to the northern theater of war via the Danube.

b. A number of auxiliary minesweepers are to be transferred to the Black Sea in spring 1942, but they will probably not be able to operate immediately upon arrival. Therefore, Group South proposes that a large experienced minesweeper flotilla also be transferred to the Black Sea together with the PT flotilla as a second wave of reinforcements. It may be impossible to spare the mine-

sweeper flotilla for permanent duty in the Black Sea and later on in the Aegean. In that case it could return home as soon as the auxiliary minesweeper flotilla is ready for action. The minesweeper flotilla is needed for the same purpose as the PT flotilla.

c. It is already apparent that a large number of naval barges must be used for transport and supply operations in the Black Sea as well as the Aegean Sea. The submarine menace will increase rather than decrease, while we are able to do but little about reinforcing our anti-submarine defenses. For this reason, barges are the safest and best suited means of transport. They do not have to have an escort, and the risk of materiel and personnel in each case is small. Group South therefore recommends making available an additional twenty barges during the coming winter for Black Sea operations. These barges, as well as replacements for them as the need arises, are to be built in Varna. Naval barges will also play an important part during future Army operations as a support for landings, etc.. Already this year the Navy was called upon to perform such duties. However, because of a lack of suitable craft, the Navy was not up to the task, for Siebel ferries have engines and therefore are no substitute for barges. Group South proposes that Admiral, Aegean at once order the construction of fifty naval barges. The most adequate building facilities will probably be found in Palermo. It is desired that the first barges be delivered as soon as possible. If necessary, special arrangements must be made with the Naval Shipping and Transport Office, Rome. There can be no large-scale transfer of barges from the Black Sea to the Mediterranean, especially not in view of the fact that it is doubtful whether the barges would ever be allowed to pass the Dardanelles. As far as we know, the sea lion (reference to operation "Seeloewe", the invasion of the British Isles, Tr.N.) will be asleep for quite a while. Therefore, it might be possible to transfer the barges built for that purpose to the Black Sea or the Mediterranean.

d. Group South proposes an investigation of the possibilities for equipping the small merchantmen which are to be built, with detecting gear (S-Geraet). Construction of these vessels is very essential. However, it seems unlikely that any of them will be completed during 1942 (see Radiogram 1345).

6. Situation Turkey:

The Italian Navy submitted the following estimate of the situation:

a. Shipping in the Black Sea, discontinued on 25 Nov. after two Turkish steamers were torpedoed, has been resumed. However, all ships travel at their own risk.

b. The report that new reserves have been called up and that all furloughs were cancelled has not been confirmed.

c. It has been confirmed that troops were transferred to the Syrian border on 4 Dec.

d. It is said that an agreement on the reinforcement of the Turkish Army and Air Force is under discussion in Ankara. This news seems likely in view of the recent U.S. declaration concerning shipment of war materiel to Turkey under Lend-Lease.

e. Although there is no confirmation concerning British and Russian demands for lease of naval and air bases, it is known that there have been conferences concerning such leases. The Turkish Government was promised full guarantees of sovereignty and independence as well as military assistance at sea and in the air if bases should be demanded.

All in all there is no doubt that Turkey is subject to heavy pressure from the enemy. It is not impossible that Turkey is willing to agree to some of the demands made so that she can preserve her neutrality at least for the time being.

7. Situation France:

The Admiral, France and Admiral Darlan discussed the question of further training and possible future operations of the French Fleet. Admiral Darlan declared that this depends mainly on the fuel oil supply and the manufacture of ammunition. French oil reserves are sufficient for one month. Only a small reserve of ammunition is left. None but the most urgent repairs were made on the battleship DUNKERQUE, and she is now capable of 9 to 10 knots. It is planned to send a naval liaison officer to the German naval stations at Cherbourg and Bordeaux. Darlan also declared himself willing to collaborate with the German Navy in the exchange of intelligence reports on the position of British naval forces.

IX. Situation East Asia

1. Enemy Situation:

Lord Alexander publicly defended the conduct of Admiral Sir Thom Philipps in the battle of Malaya.

2. Situation Japan:

Following are Admiral Ito's comments on the situation:

No one can dispute our control of the South China Sea. Malaya and Singapore are doomed, and their occupation is but a question of time. The danger threatening us from the Aleutians in the north will not materialize during the winter. The danger from the east is but slight since the enemy lost Guam and Wake. Equally slight is the danger from the south where the enemy lacks

adequate bases. However, from the west our positions are really menaced. As soon as Singapore is in our hands we are planning to transfer a large number of planes to that base by way of Trincomalee, Madras, and Sumatra. Later we shall also station naval forces at Singapore. Japanese submarines will be transferred to the Indian Ocean at a later date. Admiral Ito said literally: "The morale of the American fliers is worse than that of the Chinese."

A report from the Japanese Naval Attache at Berlin states that Japanese troops successfully landed on British Borneo on 16 Dec. in spite of unfavorable weather conditions. The route to Penang has been cut. Reports from Bangkok give details on Japanese transport operations to Malaya by sea and land as well as news of the Japanese advance on the Malay Peninsula. This advance was supported by additional troop landings near Trengganu and Kuantan. Japanese submarines operate in the Indian Ocean in order to cut sea routes to Singapore.

X. Army Situation

1. Russian Front:

Southern Army Group:

There was but little fighting on the 1st Panzer Army sector since the roads are out in the area. On the 17th Army sector the enemy attacked the 111th Infantry Division, but was stopped by our artillery. Isolated enemy attacks on the 6th Army were also repulsed.

Central Army Group:

At the 2nd Army sector we again established contact with the 45th Infantry Division. Enemy attacks were repulsed near Dyedilovo and south of Tula. The XLIV Army Corps withdrew in westward direction according to plan. On the 4th Army sector, air and artillery intervention prevented the enemy from following the retreating 4th Panzer Group. Lack of fuel and bad road conditions forced us to destroy heavy weapons and other equipment of the withdrawing IX, XL, V, and LVI Army Corps. In the 9th Army sector we blew up a bridge leading over the Volga at Kalinin, and the troops were withdrawn to the south. Enemy attacks west of Kalinin were repulsed.

Northern Army Group:

North of Lake Ilmen our positions near Vishera were withdrawn. Enemy attacks west of Tikhvin, south of Schluesselburg and south of Leningrad were repulsed.

2. Finnish and Norwegian Front:

Nothing to report.

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3. North Africa:

Under enemy pressure our forces withdrew to rear positions prepared south of Derna.

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Items of Political Importance

France:

The French press in Morocco plays up the significance of the Darlan-Ciano meeting. They hint at certain differences between the Latin Block and Germany.

Great Britain:

Special attention is being given to Russo-Japanese relations. Although it is admitted that Russia is justified in wishing to avoid fighting a new enemy before the old one has been defeated, it is pointed out that an early elimination of Japan would nevertheless be valuable. In this connection it is mentioned that the Allies should use East Siberia as a base for direct attacks on the Japanese homeland.

The critical situation in East Asia once again moves the British to make promises to the Indians. The Viceroy admonishes all Indians to put aside their quarrels, pointing out that they will be given a constitution some time hence, which among other things will grant self-government to those provinces which do not have it now.

Australia:

The fear of a Japanese invasion is growing day by day. The Prime Minister stated that Australia will have to fight for her life and that the time has come when all those who have previously received Australian aid must now come to her help.

Spain:

The Foreign Minister is of the opinion that the new developments complicate Spain's economic situation. Spain is forced to ask the Allies to resume the gasoline shipments which were stopped when Spain joined the Anti-Comintern Pact. Spain must also request more favorable conditions for her imports from South America.

Turkey:

An amendment of the Compulsory Military Training Act raises the term of active duty from eighteen months to three years. The British Ambassador at Ankara is now at the Cairo Conference, which is to decide whether British troops will be transferred from the Near East to the defense of Singapore.

Brazil:

The German-controlled Brazilian Condor Air Line was paralyzed when the West India Oil Company stopped delivery of gasoline.

Conference on the Situation with the Chief, Naval Staff.

No noteworthy reports or decisions.

Special Items:

1100: First joint conference of the Liaison Staffs of the Axis navies at the German Naval Staff for the purpose of inaugurating effective cooperation between the Axis navies.

Participants:

German: Commander in Chief, Navy
 Chief of Staff, Naval Staff
 Chief, Operations Division, Naval Staff
 Quartermaster, Naval Staff
 Chief, Naval Ordnance
 Admiral Groos
 Chief, Office of the Commander in Chief, Navy
 Assistant Chief, Office of the Commander in Chief, Navy
 Chief, Naval Attache Section
 Aide to the Commander in Chief, Navy.

Italian: Rear Admiral Bertoldi
 Captain de Angelis.

Japanese: Vice Admiral Nomura
 Rear Admiral Abe
 Captain Yokoi.

The Commander in Chief, Navy opens the conference with a summary of the development of the situation up to the present and emphasizes the necessity for close cooperation between the Axis navies. Thereafter the Chief, Operations Division, Naval Staff gives a report.

He analyzes the over-all strategic situation since the outbreak of hostilities between Japan and the U.S.A., its implications for the warring powers, as well as the future tasks confronting Japanese, Italian, and German naval warfare. Admiral Nomura then declares that the viewpoint of the German Naval Staff coincides entirely with his own and that of the Japanese Admiralty Staff, and that he will discuss further points during the after-

noon session. In conclusion, the Commander in Chief, Navy points out the crucial importance of the present phase of this war. He emphasizes the necessity for close and confident cooperation between the three navies, and expresses his firm belief in a common victory.

On the whole the conference progressed in a very satisfactory and dignified manner. It is gratifying to note that the Italian as well as the Japanese Liaison Staff seems ready and eager to cooperate fully and honestly.

(For details of the talk by the Commander in Chief, Navy and the report by the Chief, Operations Division, Naval Staff, see War Diary, Part C, Vol. XV.)

At 1500 Admiral Nomura discussed special points with the Chief of Staff, Naval Staff. For the minutes of this meeting see War Diary, Part C, Vol. XV.

Situation 17 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Radio monitoring reports that the CUMBERLAND was located off Iceland on 16 Dec.. Another cruiser was located in approximately 60° N 10° W the evening of 15 Dec.. The INDOMITABLE was in the West Indies on 15 Dec.. A South American press report states that French vessels in Martinique are under guard of U.S. naval vessels in order to prevent their delivery to Germany.

South Atlantic:

DEVONSHIRE, auxiliary cruiser CANTON, and destroyer VANSITTARD were located in the Freetown area on 13 Dec.. Radio monitoring located a British submarine on 5 Dec. between 23° and 26° N, 17° and 18° W. On 17 Dec. the British motor ship KING WILLIAM reported a vessel suspected of being a submarine trap south of the Ivory Coast, and the steamer NAILSEA MOOR sent in a similar report 300 miles southeast of there. The vessel in question was presumably a British patrol craft. According to an Italian report a large U.S. convoy carrying war materiel is expected to arrive in Suez within the next few days.

2. Own Situation:

The German Ambassador to the Vatican reports that the Apostolic Delegate to Australia reported the number of rescued

from the CORMORAN at 261, among them several wounded. According to British reports so far received approximately 320 men are supposed to have been rescued,

Radiogram 2317 advised motor ship PORTLAND of the recognition signal for her rendezvous with Japanese naval forces and directed her to advise radio station Norddeich over long and short wave frequencies 48 hours before she plans to put into port. Radiogram 0137 advised the PORTLAND about the location of the Japanese forces which are to meet her.

Report on the enemy situation sent by Radiogram 2155. Radiogram 1616 from Naval Staff, Operations Division directs Admiral, France; Commanding Admiral, Submarines; Supply Ships Unit, Branch Office West (copy to Group West) to welcome the returning crews of ship "16" and PYTHON. The Commander in Chief, Navy will tender the official welcome to the crew of ship "16" in Berlin. Further details will be arranged by the Office of General Navy Affairs.

II. Situation West Area

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Atlantic Coast:

Forty five enemy planes raided Brest in the evening of 17 Dec.. The shipyards, power station, and the air base Brest South were slightly damaged. 213 high explosive bombs as well as 250 to 290 flares and incendiary disks were dropped. The departure of ship "10" was postponed as requested by the responsible authority (Group West, Tr.N.).

The small forces of the Commander, Air, Atlantic Coast are insufficient to furnish an escort force to Group West for the departing ship "10" and at the same time conduct long-range reconnaissance to locate enemy convoys for the Commanding Admiral, Submarines. Since a compromise cannot be reached between Group West and the Commanding Admiral, Submarines, Group West requests a ruling giving the final decision in similar cases hereafter to the Commanding Admiral, Group West.

The Naval Staff decides as follows: Submarine operations against convoy HG 77 which we are trying to locate should be interfered with as little as possible since these operations seem to be very promising. However, reconnaissance service for ship "10" has priority during the two critical days when the ship passes the

north-south route. Since convoy HG 77 will presumably be located along the southern edge of route "Anton", the aerial reconnaissance service available most likely will be able to discharge both duties simultaneously on those two days. The Naval Staff recommends that Group West consider whether it would not be opportune to postpone the departure of ship "10". Such action might be advisable for reasons other than the fact that on 22 Dec. the available planes must be used to locate the enemy convoy.

It is impossible to delegate to the Commanding Admiral, Group West the authority over the commitment of the long-range reconnaissance planes. This authority must remain with the Naval Staff, since the FW 200's were transferred to the West Area by order of the Fuehrer for the support of submarine warfare.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Nothing to report.

2. Norway:

Enemy Situation:

Radio monitoring reports that the KENT is located in the area off the Murmansk coast. The CUMBERLAND will presumably approach the Murmansk coast from the Iceland area. At 1740 a British vessel reported German naval forces 30 miles east of Svyatoi Noss.

Own Situation:

At 1946 the 8th Destroyer Flotilla reported a battle engagement with two enemy destroyers in the area 30 miles east of Svyatoi Noss. By 20 Dec. destroyer Z "26" will presumably again be ready for duty.

Our convoys proceeded according to plan without enemy interference.

In reply to the inquiry from the Naval Staff (see War Diary 16 Dec.) Group North reports that it plans to send the 5th Minesweeper Flotilla consisting of four vessels to Norway toward the end of January. However, this flotilla will be transferred only if such action does not interfere with the operations of the Commander, Mine Units, North, and if no additional escort operations make it necessary for the flotilla to remain in the East Area. Group North is also trying to maintain the present number of escort and minesweeper flotillas under the command of the Commanding Admiral, Norway. However, it will be possible to transfer

additional vessels to the Commanding Admiral, Norway only when the Commander, Mine Units, North has completed his operations in the East Area (see Radiogram 1233).

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

V. Submarine Warfare

1. Enemy Situation:

The escort vessel STORK sighted German submarines, evidently in the area west of Gibraltar.

2. Own Situation:

Contact with enemy convoy HG 77 was re-established. Reports so far received state that one steamer was torpedoed. See War Diary, Part B, Vol. IV for a detailed report on the situation.

See War Diary, Part C, Vol. IV for deliberations by the Chief, Operations Section, Naval Staff on the tasks and possibilities of submarine warfare in the Atlantic.

VI. Aerial Warfare

1. British Isles and Vicinity:

Aerial reconnaissance over the northern North Sea and the east coast sighted nothing of importance.

During the evening, twenty seven planes flew combat missions over Newcastle and ten planes flew missions against shipping.

2. Mediterranean Theater:

The 26th Bomber Squadron, Second Air Corps attacked an enemy force located by our reconnaissance planes. At 1349 a heavy cruiser was hit with two aerial torpedoes which exploded on a level with the military mast. A jet of flames was observed and the cruiser was seen slowing down. During the second attack at 1435 a cruiser or destroyer was hit by an aerial torpedo and a high jet of flames was observed. Later on followed a third attack by Stuka planes, during which heaviest type bombs exploded

close to the gunwale of a light cruiser, a heavy cruiser, and a destroyer. Further observation was made impossible by effective anti-aircraft artillery.

3. Eastern Front:

An analysis of the reports has not yet been received.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

The British submarine URSULA is supposed to leave the Mediterranean for home on 26 Dec.. A Spanish report states that an eastbound convoy was sighted off Cape Tres Forcas at 0400. Toward midnight, the British force "MSOW" was located in the area east of Gibraltar.

Central and Eastern Mediterranean:

The enemy task force of one battleship, two cruisers, and eight destroyers which was reported north of the Gulf of Sollum on 16 Dec. was again located by German reconnaissance planes at 0912 in 200, 170 miles from Benghazi. Our planes tracked the enemy task force all day and reported its location on westerly to southerly course in the sea area northwest of Benghazi. During the morning, a smaller enemy force of one cruiser, three destroyers and one steamer was reported northeast of the Gulf of Sollum, and another small enemy force of two cruisers and one merchantman was reported east of the Gulf of Sollum. All these vessels were probably part of one single force. During the morning, Italian reconnaissance planes located two cruisers and several destroyers in the sea area off Alexandria and two battleships in the harbor of Alexandria.

During the morning, two cruisers and ten destroyers on a southerly course were sighted in the central Mediterranean. Aerial reconnaissance reveals that no cruisers are lying in Malta.

Our radio monitoring service reports that British planes give a continuous account of the movements of our supply convoy which departed for North Africa on 16 Dec.. The planes were ordered to attack British vessels which were mistaken for enemy forces. Intercepted enemy reports and courses steered by enemy naval forces show that the enemy must have been fully informed of the extent and movements of the Italian forces.

A report from the British Admiralty states that the large Italian submarine ADMIRAL CARRACIOLA was sunk by destroyer FARANDEL in the central Mediterranean. The submarine was en route from Bardia

to Italy. Aboard were twenty Italian officers, among them the Chief of Engineers of the Italian Army, General Lami. Fifty three survivors were rescued. General Lami was not among the survivors.

2. Own Situation:

The planned operation of the 3rd PT Flotilla was cancelled because of weather conditions.

3. Situation Italy:

The Italian convoy of four steamers left Taranto on 16 Dec.. The DUILIO group, consisting of the battleship DUILIO, three light cruisers, and four destroyers, closely guards the convoy. Three battleships, LITTORIO, CESARE, and DORIA and the heavy cruisers GORIZIA and TARENT as well as ten destroyers are at sea as additional support.

At 1500 the LITTORIO group was located approximately 50 miles north of the main enemy force, while the DUILIO group with the convoy was about 55 miles northwest of it. German and Italian reconnaissance planes reported exact data on the strength and movements of the enemy force to the Italian Chief of the Fleet. He realized that the enemy force was moving in the direction of that area which the convoy had to reach at dusk. In the afternoon, the Italian Admiralty gave permission to the Chief of the Fleet to steer whatever course he deems best, and to resume the course to the ports of destination in the morning of 18 Dec.. Thereupon the convoy was ordered to steer a course to 32° 30' N 15° 45' E after dark, after having temporarily reversed course.

No reports of a battle engagement were received during 17 Dec.

4. Transport of Supplies to North Africa:

See Situation Italy for the transport operation of the 52nd Squadron. The squadron consists of the steamer ANKARA, which is to transport supplies to Benghazi, and the steamers NAPOLI, VICTOR PISANI, and MONGINEVRO which will transport supplies to Tripoli.

One destroyer and one transport submarine arrived in Benghazi on 16 Dec.. The transport submarine left in the evening for Bardia with foodstuffs. Two more transport submarines are en route to North Africa. One naval barge left Benghazi in the afternoon of 16 Dec. bound for Derna and another left Derna for Bardia that day.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

Nothing to report.

Own Situation:

On 16 Dec. the Italian torpedo boat ORIONE sighted and rammed a submarine which was held to be of enemy origin. The ramming took place at 2230, approximately 15 miles west of Crete. The ORIONE arrived in Suda heavily damaged. Reports from Group South and the German Naval Command, Italy state that it is feared that the rammed submarine may have been the German U "557" which was on her way back to Salamis. The submarine was placed under the command of the 23rd Submarine Flotilla on 15 Dec.. U "557" did not comply with the request to report her position. The ramming occurred in the zone in which a submarine chase must be prohibited now and then.

Admiral, Aegean and the 23rd Submarine Flotilla have instituted aerial reconnaissance and rescue operations.

Since the transfer of the "Siena Division" to Crete has been completed, the German Naval Command, Italy requests Admiral, Aegean; Group South; the German General at Headquarters, Italian Armed Forces; and the Naval Staff to investigate whether it might be possible to postpone further transport operations so that the ships and escort forces can be used for carrying supplies to North Africa in view of the critical situation there. (See Radiogram 1300.)

The Italians plan to erect a temporary base, a "Base Passegiara", in Suda. Admiral, Aegean and Group South inform the Armed Forces Commander, Southeast that they are opposed to this Italian attempt to gain a footing in Suda. See War Diary, Part C, Vol. XIV for a copy of the corresponding teletype from the Admiral, Aegean and Group South. Entry made in the Diary as per 1/Skl 29214/41 Gkdos.

Black Sea:Enemy Situation:

The merchantmen and destroyers which were sighted 90 miles south of Yalta on 16 Dec. were proceeding eastward at full speed. An SOS signal from a Russian vessel, presumably a minesweeper, was intercepted in the area.

Own Situation:

The supply transport operation "Urlaubstoern" was executed according to plan. The three steamers which took part in the operation anchored east of Ochakov. The convoy broke through a new enemy mine field.

Otherwise nothing to report.

VIII. Situation East Asia1. Enemy Situation:

The radio monitoring service reports that the following vessels are lying in Singapore: five cruisers, four destroyers, and six submarines.

In Colombo are: REVENGE, HERMES, and EAGLE.

In Australia are: five cruisers.

A report from the Army General Staff states that the convoy which left England for Egypt during the last days of September was on 26 Nov. approximately 350 miles west of the northern point of Sumatra. Half a division of troops and the tanks which were aboard the convoy have meanwhile reached Singapore. A further, but unconfirmed, report states that a group of naval vessels carrying troops as replacements from India to Libya is now proceeding in the direction of Rangoon. A report from the U.S. War Department states that the islands of Guam and Wake are so far successfully resisting the Japanese attacks. U.S. Army bombers successfully attacked Japanese troop transports off Luzon.

2. Situation Japan:

The Japanese landing on Borneo took place near Miri (oil region). Japanese reports state that the Philippine Island of Cebu has been occupied. Press reports state that five British torpedo boats and one gun boat were sunk in the harbor of Hong Kong.

IX. Army Situation1. Russian Front:Southern Army Group:

Our positions in the Crimea were shelled by enemy naval artillery. Only little fighting on the 1st Panzer Army sector.

Nothing to report from the 17th and 6th Army sectors.

Central Army Group:

The enemy break-through between Livny and Verkhovje was stopped. Strong enemy troop contingents are being brought up from Yelets. At the 4th Army sector, the withdrawing Army Corps are fighting rear guard battles. It has been determined that the enemy is bringing up troops from Tula. They are advancing in the direction of Aleksin and Dubna. No noteworthy fighting on the 9th Army sector.

Northern Army Group:

Enemy attacks on both sides of Volkhovstroy were repulsed. Much artillery activity in the other sectors.

2. Finnish and Norwegian Front:

Enemy attacks along the Svir front and near Oshta as well as on the sector of the III Finnish Army Corps were repulsed.

3. North Africa:

So far the enemy followed the withdrawing units of the Panzer Group only slowly. Our air reconnaissance determined that the enemy is maneuvering to pass our forces to the southwest in the direction of Agedabia. This necessitates a withdrawal of the Panzer Group to the Agedabia-Benghazi zone.

An unlikely report from the Italian Naval Command received on 16 Dec. states that four heavy cruisers, nineteen destroyers, and thirty three steamers were located in the western Mediterranean on a westerly course. A landing operation in the Gulf of Sidra is considered possible.

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Items of Political Importance

Great Britain:

The Deputy Foreign Minister declared in the House of Commons that China is in every sense an ally of Britain. Therefore she will of course participate in inter-Allied conferences. He stated that the reports which declare that Mozambique and Angola have been promised to the Union of South Africa are enemy propaganda rumors. Various reports indicate that the newly created Allied War Council will formulate basic plans for future operations. The most important decision to be made is against which of the two, Germany or Japan, an all-out attack is to be directed first. The fact that the governments of Australia and New Zealand left no room for doubt that they expect substantial American and British support, will certainly influence the final decision. The fact that American public opinion holds Japan to be the foremost enemy will also have to be taken into consideration. Decisive importance is ascribed to the attitude of the Soviet Union, which considers the defeat of Germany to be the main task.

Other reasons besides those cited above may determine the outcome of the Allied War Council conferences. The British point of view is the most obvious one. Britain will never abandon her position in the Far East without a fight. She is determined to exert her utmost efforts to defend Singapore.

The Food Minister stated that the new situation would not necessitate an immediate reduction of the food rations, since the Pacific war has long been anticipated. However, next year's clothing ration would have to be curtailed.

War insurance premiums on cargoes between Britain and other continents were substantially increased on 17 Dec.. Only the premiums on shipping between Britain and the east coast of South America have remained unchanged.

Portugal:

The Council of Ministers conferred on the serious events which transpired on Timor Island in the nature of the occupation of the island by Australian and Dutch troops. The report that the Japanese occupied Macao is officially denied.

The occupation of Timor might possibly establish a precedent for the occupation of other Portuguese islands and colonies, primarily the Azores. In this respect it is fortunate that it was not Japan who occupied Timor.

U.S.A.:

An official report states that Admiral Kimmel was relieved of the command of the Pacific Fleet. A committee has been formed to investigate just what happened during the Japanese attack on Pearl Harbor. A Reuter dispatch states that American technicians have arrived in Eritrea in order to enlarge the naval base at Massawa and that more military personnel and civilian workers are en route. They will erect factories, assembly plants, and repair shops. The administration of the colony is to remain under British control.

Argentina:

Concerning the recurrent reports that Britain will cede the Falkland Islands to the U.S.A., the Argentine Foreign Minister declared that there can be no question of ceding the islands to any nation but Argentina.

Uruguay:

The Government resolved to consider the U.S. a nonbelligerent in the war against Japan and all other Axis Powers.

China:

The British General, Denys, has been named Plenipotentiary to the Chungking Government. He is to organize joint military operation by British and American armed forces.

Conference on the Situation with the Chief, Naval Staff.

I. The Chief, Naval Staff, Quartermaster Division reports that measures are being considered jointly with the Naval Construction Division and the representative of the Submarine Branch on the Naval Staff to improve the situation now prevailing in regard to submarine construction. By cutting the number of new submarines to be built down to twenty, the congestion of repair facilities and shortage of personnel would be relieved considerably, the latter particularly in regard to officers. The Chief, Naval Staff, Quartermaster Division further reports on the curtailment of the monthly motor fuel oil quota. Beginning 1 Feb. 1942 this quota will be reduced from 40,000 tons to 32,000 tons per month. The report also covers the consequences of the fuel oil quota cut-back which is already in force.

The Chief, Naval Staff approves the proposal of the Naval Staff, Quartermaster Division that the steamers POTSDAM and GNEISENAU, lying in Hamburg, be used as floating living quarters for the crews of eleven submarines undergoing repairs in the Hamburg shipyards.

II. The Naval Staff, Political and Propaganda Section reports that the French Admiralty Staff has forwarded thanks for the

rescue of French shipwrecked sailors. The report also states that it is impossible for steamer WARTENFELS to depart from Diego Suarez (Madagascar) since the coal destined for this ship was carried by the French convoy which was taken as a prize by British naval forces some time ago. Furthermore, the report covers the discussions of the Armistice Commission concerning the transfer of French ships to Germany and Italy. The French are objecting strenuously to any such move in view of their own needs for all vessels, and particularly in view of British measures to prevent French ships from falling into German or Italian hands. The tonnage offered to us by the French is considerably lower than what we demanded, and the French are asking fuel oil in exchange. The Naval Staff, Political and Propaganda Section also reports on the progress of the German-Spanish conferences concerning Spanish shipping to enemy countries.

Special Items:

I. Considerations regarding the destruction of Benghazi and Derna:

The development of the situation in North Africa demands that we analyze the necessity for destroying Benghazi and Derna. After presentation of the pros and cons for destruction, the Commanding Admiral, German Naval Command, Italy closes as follows: the advantages and disadvantages of destroying the two cities were analyzed and an estimate was made of the probable outcome of the fighting in North Africa during the next two months. Both factors lead to the conclusion that there is immediate danger of a further British advance into Tripolitania, while chances are slight that the situation will develop in such a way as to permit us to retake Cyrenaica at a later date. It is therefore proposed that immediate steps be taken to destroy Benghazi and Derna completely, concentrating on port installations and fuel storage facilities in doing so. A final decision in this matter can be made only by highest authority. See War Diary, Part C, Vol. XIV for the teletype from the Commanding Admiral, Naval Command, Italy, as per Commander in Chief, Navy, Op 2135/41 Gkdos. Chefs.

The Naval Staff endorses the view of the Commanding Admiral, Naval Command, Italy and forwards it to the Navy Liaison Officer at the Armed Forces High Command for his personal information. The Commanding Admiral, Naval Command, Italy is notified of this procedure. The Naval Staff presumes that the Commander in Chief, South will see to it that the Armed Forces High Command makes a decision.

II. Turkish-British Cooperation:

The Naval Staff reviews this question thoroughly. Evidence of Anglo-Turkish cooperation was obtained mostly by decoding the radio reports from the British Naval Attache at Istanbul to the British Admiralty. It is the opinion of the Naval Staff that the over-all picture of the compiled material warrants a further

careful investigation of the internal and external political forces influencing Turkey's attitude, since it is not at all certain that Turkey will indefinitely retain her present neutral status under constant enemy pressure. See War Diary, Part B, Vol. V for the text of the review given by the Naval Staff, as per 1/Skl Ic 28698/41 Gkdos.

Situation 18 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

On 12 Dec. a British vessel departed from Halifax for Bermuda.

Pacific Ocean:

The U.S. radio station at Palo Alto warned U.S. merchantmen about an enemy submarine which was located 270 miles southwest of San Diego on 17 Dec.

2. Own Situation:

Radiogram 1616 informs the Armed Forces High Command, Operations Staff of the receipt of a top secret Japanese communication to the effect that the entire Pacific has been declared a war zone in which ships will be attacked without warning, and that the Japanese Navy does not want our ships to carry special identification markings.

Radiogram 2009 advises all ships in foreign waters which codes are to be used in communications.

Reports on the enemy situation sent by Radiograms 0125, 2114, and 2202.

II. Situation West Area

1. Enemy Situation:

During the day lively enemy air activity over the Atlantic coast. A report from a foreign agent states that U.S. transport vessels arrived in North Ireland ports between 1 and 4 Dec., bringing technicians, workers, and ground personnel as well as machinery and tools for the construction of U.S. air bases.

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The aircraft carrier ALBAMALE (U.S. seaplane tender ALBEMARLE? Tr.N.) unloaded several planes and approximately ninety officers.

For details see Radiogram 1212.

2. Own Situation:

Atlantic Coast:

A bomb struck the dock near the GNEISENAU during enemy air raids from 1330 to 1445 and from 1930 to 2041. Her outer hull was damaged starboard aft and sprung a small leak. Two men were killed. Nothing happened to the SCHARNHORST, but the dock caisson was damaged. No damage was done to the PRINZ EUGEN either. Numerous bombs landed in the immediate vicinity of the vessels and the harbor area in general, where they caused slight damage in spots.

On the basis of these air raids, Commanding Admiral, Battleships once more emphasizes the urgent need for reinforcing the present anti-aircraft artillery and pursuit plane protection of Brest. Temporary measures to improve facilities for night pursuit planes must be speeded up. (See Radiogram 2215.)

Since it was to be expected that latest developments would result in a grave threat to the vessels in Brest, the Naval Staff had already ordered the Naval Staff, Quartermaster Division to investigate what additional measures can possibly be taken to defend Brest. Detailed data will follow.

Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Some enemy air activity. East of Great Yarmouth, air reconnaissance sighted a convoy of ten steamers on a northerly course.

Own Situation:

Nothing to report.

2. Norway:

Enemy Situation:

Nothing to report.

Own Situation:

At 1400 the 8th Destroyer Flotilla reports passing Fugloe en route to Tromsø. No report has yet been received on the battle engagement with the enemy destroyer on 17 Dec.. Subchaser "1214" reports an artillery duel with an enemy submarine which was tracked down in 7474 AC.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

The Naval Commander, Baltic Countries reports that an icebreaker and a 10,000 ton auxiliary vessel crossed the TMB mine barrage in the shipping channel from Leningrad to Peterhof without sustaining any damage. (See Radiogram 2100.) Otherwise nothing to report.

V. Submarine Warfare1. Enemy Situation:

Radio monitoring reports that escort vessel STORK sighted a surfaced submarine about 230 miles north-northeast of Madeira. The STORK, the destroyer ARROW, and the escort vessel DEANKLY were part of a convoy. The British Admiralty announced that a German submarine sank the cruiser DUNEDIN in the Atlantic. In a detailed critique on the sinking of the French vessel ST DENIS and the Spanish vessel BADALONA, the British Admiralty tries to prove that only a German submarine could have been responsible. A press report states that the Portuguese steamer CASSEQUEL was sunk by a submarine 200 miles off Lisbon. Radio monitoring intercepted a report from reconnaissance planes stating that two submarines were sighted in the Gibraltar area.

2. Own Situation:

Contact with convoy HG 77 was lost several times but could always be re-established. A submarine in the eastern Mediterranean reported that it scored three hits on a cruiser of the LEANDER class, but did not observe whether it sank. However, the report states that this may be assumed certain. There are no new reports as to the whereabouts of submarine U "557", which must be presumed lost after being rammed by the Italian torpedo boat ORIONE. A search for survivors at the scene of the accident was unsuccessful. For further report on the situation see War Diary, Part B, Vol. IV.

VI. Aerial Warfare1. British Isles and Vicinity:

Our regular daylight air missions in the West Area shot down 13 enemy planes. See Situation West Area for details of the enemy air raid on Brest. Armed reconnaissance reports that Group 1 of the 26th Bomber Wing damaged a steamer of 2,000 BRT.

2. Mediterranean Theater:

A report was received giving the result of the Stuka attack on a British naval force on 17 Dec.. It states that one destroyer was damaged. No further results were observed. On 18 Dec., an Italian plane made a torpedo attack on a cruiser 35 miles southeast of Malta and reported scoring one hit. For reports of aerial reconnaissance see Situation Mediterranean.

3. Eastern Front:

Slight air activity in support of Army operations. For observations made by aerial reconnaissance see Enemy Situation, Black Sea.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

A normal number of vessels are lying in Gibraltar.

Central and Eastern Mediterranean:

Contact with the enemy task force was lost on 17 Dec. at 1715 in 3300, 85 miles off Benghazi. On 17 Dec. at 1815, an Italian submarine sighted the Malta Group 40 miles south of Malta. On 18 Dec. radio monitoring intercepted reports from enemy planes, giving data and positions of the Italian convoy and the two Italian task forces. In the morning, German air reconnaissance spotted a cruiser, two steamers, and five destroyers which were steaming westward 65 miles south of Malta. Italian air reconnaissance later spotted the enemy force 30 miles south of Malta and reported its strength as two heavy cruisers, one light cruiser, several destroyers, and three steamers. At 0928, radio monitoring intercepted a report from the British task force which had engaged the main Italian naval force in battle on 17 Dec. at 1745, stating that it was under air attack.

2. Situation Italy:

The enemy naval force south of Malta was attacked by Italian torpedo planes which allegedly scored hits on a cruiser

(see Aerial Warfare, Mediterranean Theater). The Italian convoy is proceeding to Tripoli as planned, closely guarded by the DUILIO and LITTORIO task forces. In compliance with orders, steamer ANKARA left the convoy at 1300 in 33° latitude and proceeded to Benghazi. The danger of enemy air raids kept the main convoy from putting into Tripoli. An enemy air raid is said to have inflicted slight damage on the steamer NAPOLI which was travelling in the convoy. Two Italian destroyers rammed each other during the night of 17 Dec.

Reports stating that steamers on a northerly course were sighted south of Malta lead to the conclusion that the mission of the enemy task force may have been to safeguard the east-west passage of British steamers, and not to attack the LITTORIO task force and the Italian convoy. The main Italian naval force turned back after the steamer ANKARA left the convoy. No details on the battle engagement with the enemy on 17 Dec. have as yet been received.

The conjecture of the Italian Naval Command as to the mission of the enemy naval force allegedly consisting of four battleships and thirty three steamers (see War Diary 17 Dec., Army Situation), is not considered likely by the Admiral, German Naval Command, Italy. He does not believe that the enemy will try to land in the Gulf of Sidra, since chances for the success of such an operation are slight, and recommends that the estimate of the naval situation by the Italian Admiral in Libya be regarded with corresponding caution.

The Naval Staff agrees with this critique.

3. Transport of Supplies to North Africa:

A transport submarine arrived at Benghazi on 18 Dec.. Otherwise nothing to report.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

Air reconnaissance reports sighting a battleship camouflaged with trees and houses in the harbor of Sevastopol. In addition, from 60 to 80 ships of all types are in the harbor, mostly small vessels. Unescorted vessels were seen entering and leaving Sevastopol.

Own Situation:

Transport operations proceeding according to plan. Otherwise nothing to report.

IX. Situation East Asia1. Enemy Situation:

Radio London states that the Dutch Fleet sank another Japanese tanker and a Japanese steamer besides the four transport vessels previously sunk. Radio Daventry reports that Japanese planes raided Rangoon, but this is officially denied in Rangoon and in New Delhi. Radio Daventry also reports that the Australians are evacuating Port Darwin and that Penang is seriously threatened.

2. Own Situation:

On the basis of the Thai-Japanese military pact, Thailand takes charge of the defense of her northwest frontier with Burma. The German Naval Attache at Tokyo forwards the following message from the Japanese Admiralty Staff:

1. Intelligence reports from Hawaii reveal that a fourth U.S. battleship and the target vessel UTAH were sunk. On the damaged vessels most of the superstructures were destroyed.

2. Five midget submarines of 40 tons, with three-man crews, and two torpedoes each were also used in the attack on Pearl Harbor.

3. Johnston Island and Baker Island were shelled by submarines. Greatest optimism prevails concerning all operations.

See War Diary, Part C, Vol. XV for a compilation of Japanese achievements up to this time.

According to a message from Admiral Nagano, transmitted by the Naval Attache at Tokyo, the attack on Wake is planned for 22 Dec.. Japanese troops will be landed near Kuching, on western Borneo, within the next few days to seize the air base there.

X. Army Situation1. Russian Front:Southern Army Group:

The attack on Sevastopol, which started on 17 Dec., was continued, and our troops gained some territory. No fighting on the front of the 1st Panzer Army. The situation on the 17th and 6th Army sectors remained unchanged.

Central Army Group:

Enemy attacks on the 95th Infantry Division were repulsed. The XLVII and III Army Corps moved to new positions.

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The enemy forces which pierced our lines west of Dubna were stopped. Strong enemy attacks along the entire Moscow front, especially near Rusa.

Northern Army Group:

Our forces were able to repulse all enemy attacks.

2. Finnish and Norwegian Front:

We again have firm control of our main line of resistance near Oshta. Otherwise the situation remains unchanged.

3. North Africa:

Large enemy forces followed our withdrawing troops in the direction of El Mechili-Derna. Derna was still in our hands the evening of 18 Dec.. Enemy troop columns continued their encircling movements by advancing generally in a westward direction.

Enemy attacks on Bardia were repulsed. On 19 Dec. our troops are scheduled to continue their withdrawal to the west. The Duce has forwarded the following directive to the Command of the Panzer Group through General Cavallero: "Tripolitania must be defended under all circumstances. In this connection Cyrenaica and particularly Benghazi are to be held if at all possible."

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Items of Political Importance

France:

Although the French Government calls the seizure of French vessels in U.S. ports only a "protective measure", Admiralty circles are aware that this action by the U.S.A. constitutes but the first step towards incorporating those vessels into the U.S. Navy.

Great Britain:

The War Minister explained in the House of Commons that the increased danger of a German invasion calls for a law making service in the Home Guard compulsory. It is not planned to draft women. General Wavell stated that the Japanese sustained heavy losses and are still a long way from overrunning Malaya. Although it will be impossible to hold Penang, the Japanese will not be able to exploit their advantages immediately, and everything has been done to improve Britain's position.

Japan:

According to a confidential message from military circles, it is hoped in Tokyo that once the British and U.S. bases have been eliminated, the Dutch East Indies will be ready to negotiate and make the necessary amount of oil available without a fight.

French Indo-China:

The Governor General of French Indo-China and local Japanese military authorities at Hanoi have entered into a military agreement about cooperation, or division of operations, between the Japanese and French Indo-China armies. All air bases are at the disposal of the Japanese and all mail and telegram service is under Japanese control.

Conference on the Situation with the Chief, Naval Staff.

I. The Chief, Naval Communications reports on conferences with the Japanese Navy concerning the lease of radar gear for air and sea forces to the Japanese and transmittal of the blueprints for Japanese two-man submarines to the German Navy. The report also covers possibilities for transporting goods by blockade-runners and large Japanese submarines with a cruising radius of 16,000 miles. The Chief, Naval Staff agrees on all points.

II. Ship "23" and ship "14" are being equipped with improved armament on the basis of past experiences in merchant raider warfare. The shipyard operations required for making these improve-

ments reduce the capacities for other jobs to such an extent that the Chief, Shipbuilding and Construction Department reports it impossible to keep scheduled delivery dates for submarines. The Chief, Naval Staff decides that work on submarines has priority over auxiliary cruisers.

III. In view of the fact that anti-submarine defenses in the Gibraltar area are strong and have already caused the loss of a considerable number of German submarines, the Naval Staff is considering to what extent it is practical to withdraw the large submarines from that zone of operations since they are most vulnerable to anti-submarine weapons.

Special Items:

I. Concerning the Military Agreement with Japan:

The Naval Staff, Operations Division made a detailed study of the draft for a military agreement between Japan, Germany, and Italy forwarded by the head of the Tripartite-Pact Military Commission, delivered also by Admiral Nomura on 17 Dec.. From the viewpoint of naval strategy, the Naval Staff has no objections to the terms of the agreement, since Admiral Nomura emphasized that the "Zones of Operations" clause entails no permanent commitments. Admiral Nomura gave the assurance that nothing stands in the way of rearranging zonal boundaries whenever the situation requires.

However, the Naval Staff believes that it is unnecessary to define a zone by geographic coordinates solely for reasons of naval warfare, when such boundaries must be rearranged to conform with subsequent requirements and are of little interest to the Army and the Air Force on land. Therefore, one might be led to suspect that we have here a Japanese attempt to effect a partition of political spheres of influence by means of a military agreement fixing operational zones. From the point of view of naval strategy no objections could be raised to even such intentions. However, for political reasons, such a partition seems undesirable.

This viewpoint of the Naval Staff is being forwarded to the head of the Tripartite-Pact Military Commission, together with the draft of a different version of the agreement. (See War Diary, Part C, Vol. XV.)

II. A production estimate based on Navy priority allocations as received from the Armed Forces High Command last October shows that the construction and completion of ships will drop radically. Submarine warfare, escort of convoys, coastal defense, and anti-aircraft defense, which constitute the duties assigned to the Navy in the war against Britain, cannot be continued for very long if those quotas are put into effect, and the time can be foreseen when naval warfare will cease altogether.

Therefore the Commander in Chief, Navy requests the Armed Forces High Command to revise the allocation of raw materials in such a way that the Navy receives in 1942 the minimum quotas necessary to continue the operations assigned her by the Fuehrer. Should the Armed Forces High Command be unable to effect such a redistribution, the problem will have to be submitted to the Fuehrer for a decision. See War Diary, Part B, Vol. V for a copy of the letter (M Wa W1 1488/41 Gkdos.).

Situation 19 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

Items of Importance:

See Radio Intelligence Report No. 50/41 issued by the Chief, Naval Communications (Radio Intelligence) for a compilation of all enemy messages intercepted by radio monitoring and radio decoding up to 14 Dec. 1941.

North Atlantic:

A report from a foreign agent of 17 Dec. states that the Allied War Council decided on 12 Dec. to send an expeditionary force overseas, presumably to the Near or Far East. The expeditionary force is to consist of eight to eleven divisions. The port troops at Cardiff, Newport, Pembroke, Caernarvon, Liverpool, and Lancaster received orders for immediate action, and numerous troop transports were dispatched to those ports; some of these had to be diverted from the North Atlantic run. Shipments will begin on 19 Dec. and will last for several weeks. The RODNEY, the BERWICK, and the HERMIONE are en route to Gibraltar, possibly to escort troop transports through the Mediterranean. (See Radiogram 1919.)

Indian Ocean and Pacific Ocean:

Press reports from Rangoon state that another large convoy has arrived with Indian troops.

2. Own Situation:

The Norwegian steamship line owning the SILVAPLANA denied the loss of the ship. See War Diary, Part C, Vol. 1 for the report from the Commander of ship "16" which supplements the sections of the War Diary transmitted by submarine U "68". Entry in the War Diary as per 1/Skl 29293/41 Gkdos.

A report from the Commanding Admiral, Submarines gives the following schedule for arrival of submarines at French ports:

Submarine U "A" probably on 25 or 26 Dec.
Submarines U "124" and U "68" between 26 and 29 Dec.
Submarine U "129" approximately 2 or 3 Jan. 1942

II. Situation West Area

1. Enemy Situation:

Radio monitoring intercepted enemy reports presumably giving the locations of PT boats along the southeast coast. At noon of 18 Dec. aerial reconnaissance reported an unidentified vessel 5 miles south of St. Nazaire.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

During the night of 19 Dec. the 2nd and 4th PT Flotillas went on torpedo and mine-laying missions in the Yarmouth-Cromer area.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Nothing to report.

2. Norway:

Enemy Situation:

Radio monitoring reports that the cruiser KENT was in the Murmansk area. A fix was obtained on a British vessel proceeding in the direction of the White Sea and another one proceeding in the direction of Jan Mayen.

Own Situation:

The 8th Destroyer Flotilla arrived at Tromsø in the afternoon of 18 Dec.. It encountered neither naval vessels nor merchantmen along the suspected enemy convoy route, but unexpectedly encountered two Russian destroyers northeast of Cape Bolshoi Gorodetski. In the course of a battle engagement lasting 13 minutes, one of the Russian destroyers was definitely badly damaged and probably sunk. The second Russian destroyer was dam-

aged but escaped into the fog. The flotilla commander decided not to pursue it in view of the fog. According to a report from the flotilla, it was impossible to execute the second part of the mission, namely to scout the Murmansk coast on the return trip, because the southeastern part of the coast was shrouded in fog and the enemy situation (alerting of the coast and Kola Bay as well as presence of British naval forces) later on developed so as to make it necessary to avoid Kola Bay. There were no further encounters with enemy forces on the way home. Our vessels sustained no damage or loss. On account of the tactical commitments, the flotilla was barely able to return to Tromsø on the amount of fuel carried. (For the report on the battle engagement see Radiogram 1100.)

Commanding Admiral, Norway rightfully demands an explanation of why the presence of British naval forces made it necessary to avoid Kola Bay when an attack on them would have offered good chances for success in view of the long arctic night. He also desires an explanation as to what were the tactical commitments which forced the flotilla to travel homeward at such high speed that all the fuel was consumed. (See Radiogram 1920.) Destroyers Z "25" and Z "27" will replenish their supplies at Narvik on 20 Dec. and then escort the 8th PT Flotilla and a tanker from Harstad (Vesteraalen Islands) to Tromsø via a route leading around the small islands. Mines are suspected along the northern roadstead from Tromsø via Groet Sound to Groetnes since an enemy submarine was sighted within that area on 18 Dec.. The harbor patrol vessel STEINBOCK ran aground near Vardø on 18 Dec.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

V. Merchant Shipping:

Digest No. 55 in the report series of the Intelligence Division, Naval Staff entitled "Foreign Merchant Shipping" includes the following: A survey of the ships lying in Gibraltar and ship movements to and from that port during the period from 20 Oct. to 15 Dec.; reports on the discontinuation of Spanish mail steamer service to the U.S.A.; the ships lying in Malta from 17 Oct. to 12 Dec.; data on Russian vessels in Turkish ports; the American paravane model, and the increase of premiums on war-risk insurance on shipping in the Atlantic and the Pacific.

VI. Submarine Warfare

1. Enemy Situation:

An Italian report states that a patrol vessel shelled

and sank a submarine in the Strait of Gibraltar on 17 Dec. and took aboard forty four survivors.

2. Own Situation:

Contact with convoy HG 77 was maintained with slight interruptions. The convoy is heavily escorted, a British submarine seems to follow it, cruising on courses 90° from the convoy's mean course. Another steamer was reported sunk besides the one previously reported. According to aerial reconnaissance, the convoy is made up of from 50 to 60 merchant vessels. Our reconnaissance planes were repeatedly attacked by enemy pursuit planes and thereby hampered in carrying out their mission.

In connection with the sinking of the enemy cruiser in the eastern Mediterranean on 18 Aug. (most likely an error. Must be 18 Dec.. See War Diary 18 Dec., Submarine Warfare, Own Situation. Tr.N.), the Italian radio monitoring service reports that an enemy cruiser of the Mediterranean Fleet sent an SOS from a position which coincides with that of our submarine at the time of action. It can therefore be assumed as certain that submarine U "371" (Lt. Driver) sank an enemy cruiser of the LEANDER class.

See War Diary, Part B, Vol. IV for the distribution of submarines over the various zones of operation, and for a further report on the situation. Special attention should be given to the large number of submarines sunk in the Gibraltar area.

Concerning submarine bases in Italy, the Naval Command, Italy reports that the following shipyard facilities can be counted on for use by German submarines:

- | | | |
|--|------------------------------------|--|
| a. Facilities available immediately: | 1. Spezia for 6 submarines | |
| | 2. Pola for 2 submarines | |
| | 3. <u>Salamis for 5 submarines</u> | - (This must be Greece; there was a submarine base there. Tr.N.) |
| | Total: 13 submarines | |
| b. Facilities available beginning 15 Jan.: | Spezia for 7 submarines | |
| | Salamis for 6 submarines | |
| c. Facilities available beginning the end of February: | Spezia for 10 submarines | |
| | Pola for 4 submarines | |
| | Salamis for 6 submarines | |

Thus, the Italians can furnish facilities for twenty German submarines. After exhaustive conferences with the Italian Navy we can be certain that specifications and delivery dates will be adhered to. However in order to intensify and speed up the work,

it would be necessary to make sweeping demands on the Italians, which these could fulfill only at the expense of neglecting the condition of their own vessels. The figures given above mean that the following number of submarines must not be exceeded: For the present, twenty six submarines; by 25 Jan., thirty submarines; and from the end of February on, forty submarines. (See Radiogram 1415.)

In view of this situation, the Commanding Admiral, Submarines waives the formation of the 30th Submarine Flotilla at Pola. The submarines at that base will be assigned to the 29th Submarine Flotilla, while it is planned to station only a submarine base commander at Pola. (See Radiogram 2122.)

VII. Aerial Warfare

1. British Isles and Vicinity:

The enemy lost ten planes during daylight raids in the western area, two of them four-motored Stirlings. See Situation West Area for reports of aerial reconnaissance over the Atlantic. One of our night raids set afire an 8,000 BRT tanker in a convoy northwest of Cardigan Bay.

2. Mediterranean Theater:

The X Air Corps attacked Tobruk with nineteen planes. 19 tons of high explosive bombs were dropped on the town and the harbor installations and an anti-aircraft position was silenced.

3. Eastern Front:

Normal air activity in support of Army operations. For reports by aerial reconnaissance over the Black Sea see Black Sea, Enemy Situation.

4. Organization:

Concerning the recall of the naval officers transferred prior to expiration of their term of duty (see War Diary 15 Dec.), the General of the Air Force informed the Commander in Chief, Navy that a compromise between the diverse opinions expressed by all Air Force and Navy offices concerned, can only be worked out by the Air Force General Staff and the Navy High Command.

VIII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

The MALAYA and seven destroyers left Gibraltar in an

easterly direction, evidently for target practice, and returned again in the afternoon.

Central and Eastern Mediterranean:

During the morning, aerial reconnaissance sighted an enemy force south of Malta. It consisted of a cruiser and several destroyers. The same force was again sighted in the afternoon, this time southwest of Malta. An Italian aerial photography mission over Malta sighted a large battleship in the large harbor basin at 0900. It was identified as a battleship of the BARHAM class.

Submarines were sighted at the eastern exit of the Strait of Gibraltar, off Cape Misurata, near Ostia, north of Crete and east of Cape Colonna.

2. Own Situation:

Weather conditions on 18 Dec. forced the 3rd PT Flotilla to abandon its mission and turn back at 2200.

3. Situation Italy:

The naval task forces arrived at Taranto. After the tow line broke, the destroyer which was disabled by a collision is being brought in by other destroyers and the tug boat MAX BEHRENDT from Benghazi.

In his critique of the Italian operation, the Admiral, German Naval Command, Italy states that the mission has been successfully completed and that the critical situation of supply shipments to North Africa has consequently been considerably, although not decisively, improved. He is of the opinion that Italian and British naval forces are just about equally strong in cruisers and destroyers, but that the Italians have a definite advantage in daylight operations, since their battleships outnumber the British ones. Unfortunately, the Italian Command did not make use of this numerical superiority during their operations. However, the Admiral, German Naval Command, Italy thinks that the reverse was true of the night situation. Then it would have been wise for the Italians to avoid an engagement, because the British Navy is better trained for this phase of fighting and also because the Italian vessels had to protect the convoy and therefore had but little freedom of action. It is highly commendable that the commander of the Italian naval forces did not take evasive action but rather took the risk of proceeding in the darkness in spite of contact with the enemy, so as to complete the mission. It has not yet been explained why the British did not join battle as was to be expected. See War Diary, Part C, Vol. XIII for the text of the corresponding teletype as per 1/Skl 21389/41 Gkdos.

The Naval Staff can only agree with the above opinion.

4. Transport of Supplies to North Africa:

The 52nd Naval Transport Squadron arrived at Tripoli during the morning with three steamers and in Benghazi with one steamer at noon. One transport submarine arrived at Bardia during the evening of 18 Dec.. A third naval barge (see War Diary 17 Dec., Tr.N.) becomes available for duty at Benghazi on 20 Dec.. Three destroyers carrying gasoline for the Air Force are scheduled to arrive at Bardia on the 20th, 21st, and 22nd of Dec.

5. Area Naval Group South:Aegean Sea:

Nothing to report.

Black Sea:Enemy Situation:

Aerial reconnaissance sighted four convoys comprising a total of thirty steamers in the Sevastopol area. Each of the convoys was escorted by naval vessels. Two of the convoys were arriving and the other two departing.

Own Situation:

Nothing to report.

Special Items:

a. In accordance with the request from the German Naval Command, Italy (see War Diary 17 Dec.), the Armed Forces High Command, Operations Staff decides that during the next few days the Italian torpedo boats available in the Aegean Sea are to be diverted from shipping in the Aegean and to be used to facilitate quick transportation of urgently needed fuel supplies to Benghazi. The German General at Italian Headquarters is to get the consent of the Italian Armed Forces High Command (see Radiogram 1430).

b. The German Naval Command, Italy forwards for approval by the Naval Staff the proposal of the Italian Navy concerning installation of an Italian Naval Transport Office at Suda (compare War Diary 17 Dec.). The German Naval Command, Italy recommends that action on the matter be delayed in view of the imminent loss of Cyrenaica and the subsequent discontinuance of supply transport operations. In the same connection, in accordance with the request from the Commanding General, Armed Forces, Southeast concerning the Italian Navy's intention to install a fortified base on Suda Bay, the Armed Forces High Command, Operations Staff, Air decides as follows: Pressure should be brought to bear on the Italians so as to keep them from proceeding with their plan to install anti-aircraft artillery on Suda Bay, unless such installations on that part of Crete, which is reserved for the German Armed Forces exclusively, are considered absolutely essential by the Air Force High Command, Operations Staff. See War Diary, Part C, Vol. XIV for the corresponding teletypes as per 1/Skl 56221 geh., 29408/41 Gkdos., and 29416/41 Gkdos.

c. Group South forwarded a request from the Japanese Naval Attache at Istanbul asking that the Group Command help in gathering information on the situation in the Indian Ocean, the Red Sea, etc.. The Naval Staff decides that it is desirable to keep the Japanese informed and to accommodate them whenever possible. However, they should not be given information which would enable the enemy, if he were to break the Japanese codes, to draw conclusions as to German ability to decipher enemy messages, or which would throttle our special news sources. Therefore all radio intelligence reports and other secret matter will be sent over our own transmitters from Berlin to the Naval Attache at Tokyo. The center of all cooperation, which is just in its initial stages, is Berlin.

IX. Situation East Asia

1. Enemy Situation:

Admiral Nimitz was named as successor to Admiral Kimmel for the post of Commander in Chief of the U.S. Pacific Fleet.

The Japanese Admiralty Staff terms the transfer of U.S. battleships to the Pacific as foolish and would consider it more appropriate if they were sent to Ceylon via the Atlantic.

2. Situation Japan:

The five Japanese submarines which participated in the attack on Pearl Harbor are considered lost. According to a report from the Military Attache at Bangkok on 17 Dec., the enemy is offering tenacious resistance to the advance of the western column on Malaya. A Japanese air raid sank three and damaged six transport vessels off Penang. Weaker enemy forces are evading the central column to the southwest. The eastern column has reached Kalebir. The Japanese sustained heavy losses in the jungle fighting. The absence of adequate dock installations makes the unloading of motorized units a very time consuming process. Only weak enemy forces are being encountered on British Borneo. Oil installations near Miri are said to have been thoroughly destroyed. Several Dutch submarines are said to be stationed between Malaya and Borneo. Volume 46 of the news analysis "Foreign Navies" published by the Intelligence Division, Naval Staff contains a chronological index of the first events in the war for Greater East Asia and a compilation of Japanese reports on enemy shipping losses.

X. Army Situation

1. Russian Front:

Southern Army Group:

The enemy offers tenacious resistance in front of Sevas-

topol. The general situation on the sectors of the 1st Panzer Army, the 17th Army, and the 6th Army remains unchanged.

Central Army Group:

Strong enemy attacks on the 2nd Army are beginning from the direction of Yelets. The positions of the XXXVII, the LII, and XXIV Army Corps were moved further west to run in the general line from Mogilka to Krapivna. The enemy launched strong attacks all along the front of the 4th Army and, since our forces there were rather weak, was able to penetrate in several places. Reserves were brought up by air. Strong enemy forces attacked on the 9th Army sector south and west of Kalinin but could be repulsed.

Northern Army Group:

Strong but unsuccessful enemy attacks were launched north of Lake Ilmen and east of Volkhovstroy. Our artillery smashed enemy preparations south of Leningrad.

2. Finnish and Norwegian Front:

Enemy attempts to cross the Svir River in the sector held by the 163rd Infantry Division were repulsed.

3. North Africa:

The enemy reached the line El Mechili-Derna. The points of the enemy encircling column which consists of about fifty tanks and two motorized battalions reached the area north of Smus. The points of our armored divisions reached the area around El Abiar. The Air Force continues to suffer badly from lack of fuel. Enemy bombing raids inflicted heavy losses on our forces on 18 and 19 Dec.. This was possible because our Air Force is unable to put a sufficient number of pursuit planes into the air.

20 Dec. 1941

Items of Political Importance

France:

The U.S. Ambassador at Vichy expressed the hope to Marshal Petain that France continue to maintain her present neutral status. It was officially announced in Washington on 19 Dec. that the U.S. has concluded an agreement with the High Commissioner of Martinique, Admiral Robert concerning far-reaching cooperation. This agreement stipulates that all French possessions in the West Indies and all naval units stationed there will be considered neutral. The further exchange of goods within that area will be permitted so long as it does not result in anything detrimental to U.S. interests, i.e., so long as French naval forces do not attempt to leave port. An official Vichy denial can hardly change these facts.

Great Britain:

Duff Cooper was appointed Governor of Singapore and made a cabinet member with the portfolio of Minister for Far Eastern Affairs. It is said that Eden has flown to Moscow. A report of 10 Dec. from the Turkish Minister at Kuibyshev (Samara) states that Eden will discuss the following points with Stalin:

1. The transfer of naval bases on the Russian Pacific Coast to the British and U.S. Navies.
2. Military cooperation with the Russians in the Petsamo area.
3. Immediate opening of a joint British-Russian front in the Caucasus, and Russian permission for transit of British troops to that area.
4. Stalin's request for the opening of a second front in the west.

A report from a neutral diplomatic source states that British public opinion, which was confident up to now, has undergone a drastic change. One of the main reasons for this is the sinking of the two battleships by the Japanese.

According to foreign press reports, an important official joint announcement from London, Washington, and Moscow may still be expected before Christmas. Besides Eden's trip to Moscow, Churchill's trip to Washington is mentioned in this connection. The press bases its reports on the fact that conferences concerning Allied cooperation are taking place in each of the three capitals, and that Anglo-Russian relations as well as creation of an Allied War Council are the most important points under discussion. It is said that the U.S. has demanded that the seat of the War Council should be at Washington. Donovan, General Marshall, Admiral Leahy

or Sumner Welles have been mentioned for the post of chairman. It is said that the High Command for the various fronts will probably be divided so that the British will be in charge of operations in the Middle East, the Americans in the Pacific, and the Russians on the European Eastern Front. Since no special mention is made of the Atlantic, it must be presumed that the British will be in charge of operations in that area.

Portugal:

From the important speech made by Salazar concerning the occupation of Timor, it is apparent that the Dutch have already evacuated the island following a protest by the Portuguese. However, the Australian forces have remained, and they are of course the ones who have the greatest interest in keeping Timor from the Japanese.

U.S.A.:

Reports here also state that an inter-Allied conference will be held at Washington in January for the purpose of discussing the question of coordination of Allied activities and creation of a joint War Council. Secretary of War Stimson stated that according to the Lend-Lease Act, shipments are not to be curtailed but increased.

Japan:

The Government has requested Thailand to become a signatory power to the Tripartite Pact.

Special Items:

I. Basic Observations concerning the Naval Warfare Situation:

On 11 Dec. the Commanding Admiral, Group West reported as follows: "The great successes scored by the Japanese Air Force and possible new strategic developments in the Atlantic as the result of the transfer or weakening of the U.S. Atlantic Fleet and the possible transfer of further heavy British naval units to East Asia cause me to demand the immediate transfer of a well-trained bomber squadron to the Norwegian area for the sole purpose of attacking heavy vessels of the British Home Fleet, especially aircraft carriers. I must request this in spite of the critical situation prevailing in other theaters of war. It is possible that we will thereby be able to achieve a balance of power which will again enable us to conduct far-reaching naval operations in the Atlantic. These promises to be especially successful if supply shipments to Britain fall off due to the curtailment of American aid."

Group North expressed the same opinion concerning this problem on 12 Dec., at which time all the possibilities for aerial warfare were set forth in detail. These documents caused the Naval Staff to set down its basic views about the problems of naval strategy

confronting the great naval powers of the earth at the outbreak of war. Naturally, all commands of the German Navy should take an active interest in these problems.

The influence which German power exerts on the sea routes of our enemies in the Atlantic and the Mediterranean causes us to participate directly in solving these problems. Therefore, the Naval Staff welcomes proposals submitted even if they go beyond the authority of the respective Operations Staff.

However, in the present situation, where the enemy has freedom of action and local superiority on several sectors of the front, it is unfortunately impossible to use special forces particularly some from other branches of the Armed Forces and urgently to request additional ones as important so as to be able to tackle recognized problems. For example, this applies to the mining of the Suez Canal as well as to the use of trained bomber units against the heavy vessels of the British Home Fleet for the purpose of equalizing the naval forces. However, the Naval Staff knows that the Armed Forces High Command is fully aware of all these problems.

In this connection it is also felt to be most unfortunate that just now our warfare in foreign waters has temporarily come to almost a complete halt, and that all submarine operations but the siege of the British Isles have been forced to follow a course apparently deviating from the general precepts of naval strategy as the result of the dangerous situation in the Mediterranean and other areas. The Arctic area, the sea route through the Channel, the transport of supplies to North Africa, and the sea routes in the Black Sea and the Aegean Sea (Crete!) all pose problems which at this time must be considered the focal points of our fight for survival. They demand the full use of all German means of warfare in the coastal areas and moreover tie up part of our offensive forces (large submarines!). It is hoped however, that this is but temporarily the case.

The Naval Staff attaches special importance to the use of appropriate naval forces in the war in the Atlantic and other oceans and is particularly concerned with getting them ready for duty. Furthermore it is important at present, and will be no less so for bringing the presumably lengthy war to a victorious conclusion, that we use all available forces to hold on tenaciously to what we have gained and, as heretofore, continue to inflict damage on the enemy and increase our fighting strength by the clever deployment of all our forces.

Corresponding directives to Groups West, North, and South; Commanding Admiral, Submarines; German Naval Command, Italy with copies to Fleet and Commanding Admiral, Norway. Copy of information sent to the Chiefs of Office, Naval Staff and the Liaison Officer at the Armed Forces High Command, as well as the Naval Adjutant to the Fuehrer as per 1/Sk1 2159/41 Gkdos. Chfs. together with the previous directives from the Commander in Chief, Navy 2113/41 Gkdos. Chfs. and 2122/41 Gkdos. Chfs. to be found in War Diary Files "Fundamental Problems of Warfare".

II. Coastal Defense:

The construction of a new "West Wall" on the Arctic, North Sea, and Atlantic coast areas under our control as ordered by the Fuehrer, must temporarily be curtailed due to the heavy demands made on our forces and materials for other purposes. The curtailments are in each instance ordered by the Armed Forces High Command on the basis of orders given by the Fuehrer.

The necessity to achieve maximum results in extensive areas with limited means demands more centralization of leadership than had been planned up to this time. Therefore the Commander in Chief, Army will be entirely responsible for the planning of coast defenses, with the other branches of the Armed Forces and their commanders cooperating. In this the Commander in Chief, Navy remains responsible for the naval warfare requirements, shipping, and coastal artillery defense. The Commander in Chief, Navy alone is responsible for all measures to be taken along the North Sea coast. Reich Minister Dr. Todt is in charge of all civilian manpower to be used in construction work. See War Diary, Part C, Vol. X for the copy of the order from the Armed Forces High Command, Operations Staff, National Defense as per l/Skl 29255/41 Gkdos.

III. The Fuehrer takes over the Army High Command:

According to a still confidential report from Fuehrer Headquarters, the Commander in Chief, Army, Field Marshal von Brauchitsch has relinquished his command. The Fuehrer has personally taken over the Army High Command, supplementing his position as Supreme Commander. A farewell order from the retiring Field Marshal to the Army mentions reasons of health. Details concerning this vital measure are so far unknown.

Situation 20 Dec. 1941I. War in Foreign Waters1. Enemy Situation:

On 18 Dec., several of the destroyers based at Gibraltar were replenishing their supplies at Ponta Delgada. Light British naval forces were cruising in the Azores area on 19 Dec.. According to radio decoding, the British cruiser which departed from Bermuda en route to Gibraltar on 12 Dec. was supposed to pass the position 34° 00' N, 44° 30' W and 34° 30' N, 30° 00' W and receive further course directions from the Chief, North Atlantic. The aircraft carrier FORMIDABLE which had been in the U.S. for repairs, was nearing the Western Approaches on 18 Dec.. On 18 Dec. radio station Annapolis broadcast a directive for the Commander of the Boston District to several port commanders and coastal patrols advising them that unescorted ships en route to Portland and Portsmouth are allowed to travel within a specified danger zone only under good weather conditions and by special permission.

Indian Ocean:

On 19 Dec. a U.S. steamer received orders to proceed to Colombo for refuelling, since Penang is endangered, and subsequently to proceed to New York via Durban and Trinidad.

2. Own Situation:

Instruction to all submarine supply ships concerning the special code effective after broadcast of code word "Ypern" by Radiogram 2149. Report on the Enemy Situation by Radiogram 2200.

II. Situation West Area1. Enemy Situation:

A convoy coming from the Channel was located southwest of the Bristol Channel at 1940 and was there attacked by planes.

Long-range reconnaissance located convoy HG 77 at noon, approximately 500 miles northwest of Lisbon, course 340°. The convoy comprised thirty five steamers, three cruisers, two escort vessels, and UNICORN.

2. Own Situation:Atlantic Coast:

The Brest harbor defense flotilla shot down two enemy planes on 18 Dec.

Channel Coast:

The 2nd and 4th PT Flotillas executed their mining mission according to plan. Enemy destroyers prevented them from launching a torpedo attack. All boats reached their operating base without interference. A ground mine sank a coastal motor boat in the fog off Calais.

III. North Sea, Norway, Arctic Ocean1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

According to radio monitoring, three British naval vessels, presumably identified as one heavy cruiser and several de-

stroyers, were located in the Murmansk area. It is likely that an aircraft carrier is also in the vicinity, since such a vessel was identified in radio telephone conversations. It may be assumed that planes are being transported.

On 19 Dec. a Russian submarine was sighted northwest of Kharlovka.

Own Situation:

The minelayer COBRA left Aalesund en route to Tromsøe. On 19 Dec. the tanker ALGOT and motor-minesweeper PARIS touched ground in the approach to Maaloey.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

V. Submarine Warfare

1. Enemy Situation:

According to radio monitoring, submarines were reported sighted 300 miles south of Porcupine Bank and in the Gibraltar area. In the Gibraltar area a submarine attacked the British steamer DYNAMO. The submarine was chased and attacked with depth charges. A plane sighted another submarine off Cape Spartel.

2. Own Situation:

Three submarines maintained contact with convoy HG 77. The enemy steered a sharp zig-zag course. See Situation West Area for report on air reconnaissance sighting the convoy. The submarine operating outside of the Dardanelles sank a tanker of approximately 7,000 BRT travelling with dimmed lights in the southern exit of the strait. This was presumably one of the reported Russian blockade-runners. See War Diary, Part B, Vol. IV for further reports on the submarine situation.

The Commanding Admiral, Submarines requests a decision whether submarines scheduled for operations in the Mediterranean may be used for escorting the ship DOGGERBANK instead of the submarines assigned to operation "Paukensschlag", since the latter consume too much fuel.

The Naval Staff agrees, unless facilities for refuelling submarines from ship DOGGERBANK are adequate to take care of the problem. Furthermore, the Commanding Admiral, Submarines again requests release of all large submarines for operations in the Atlantic since they are not suited for operations in the Mediterranean and west of Gibraltar.

The Naval Staff agrees with this idea and has itself already repeatedly expressed the opinion that large submarines are not suited for operations in the Mediterranean. They had to be used west of Gibraltar under existing circumstances. They must be used there as long as the situation in the Mediterranean requires. When used in connection with the North-South convoys, an operation for which also these large submarines are suited, they help to relieve the situation in the Mediterranean. The Commanding Admiral, Submarines is authorized gradually to withdraw the large submarines in proportion to the increase in the number of small submarines on duty in the Mediterranean.

The Commanding Admiral, Submarines reports on scheduled operations as follows:

"1. The following submarines will be transferred to the Mediterranean before the full moon: U "83"; U "451"; U "202"; U "133"; U "577". Counting these, twenty five submarines will then be stationed in the Mediterranean.

"2. Five more submarines will be sent by the beginning of the new moon in the middle of January, and four more in February. In view of this assignment, reference is made to the capacity of the Italian shipyards on which the German Naval Command, Italy reported (see War Diary 19 Dec.). Then the best and most capable of our submarines will be in the Mediterranean.

"3. The following submarines will operate west of Gibraltar: Eight submarines departing from French bases in December.

"4. A submarine escort for ship DOGGERBANK.

"5. Besides the six large submarines already set aside for operation 'Paukensschlag' along the American coast, submarines U "107", U "108", and U "67" will proceed to Lorient after completion of the present operation against convoy HG 77, and will subsequently take part in the American operation. All other large submarines will also be used in this area as they become available.

"6. The new medium submarines with their young and inexperienced commanders, coming from bases in Germany, will, until further notice, proceed to French bases in order to refuel. These submarines will subsequently be put into operation in the western Atlantic, probably near the Bank of Newfoundland.

"Reason for Paragraph 6 above: The area off Gibraltar at this time presents the greatest difficulties in view of the strong anti-submarine defenses there. The HG convoys are the ones which are most heavily escorted. The new submarines are not equal to both tasks and therefore cannot be used."

The Naval Staff agrees with these plans. The right to make changes in the plans for February is reserved. The number of submarines scheduled to proceed to the Mediterranean should not be cut. The

ultimate number of submarines to be assigned will depend on possible losses. See War Diary, Part C, Vol. IV for the corresponding directive to Commanding Admiral, Submarines (1/Skl Iu 2168/41 Gkdos. op Chefs.).

VI. Aerial Warfare

1. British Isles and Vicinity:

The 5th Air Force reported that a minelayer was attacked and badly damaged near the Faroe Islands. An investigation has been ordered as to what type ship was involved. One FW 200 was shot down by enemy defenses during long-range reconnaissance on 19 Dec.. During the night of 20 Dec., thirty planes flew mining missions over the Thames and eleven planes flew missions against shipping targets.

2. Mediterranean Theater:

For report of aerial reconnaissance see Mediterranean, Enemy Situation. Fourteen Ju 88's flew missions against enemy troop columns east of Derna.

3. Eastern Front:

Light air activity on the land fronts. In the Arctic Ocean planes unsuccessfully attacked a steamer and a destroyer northeast of the Kildin Islands.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

During the course of the day the MALAYA, the ARGUS, and one cruiser of the DIDO class were at sea for a few hours east of Gibraltar, apparently engaged in maneuvers.

Central and Western Mediterranean:

According to an aerial photography mission conducted by the X Air Corps, one battleship was said to be lying in La Valetta in the afternoon of 19 Dec.. Italian air reconnaissance made the same observation during the morning of 20 Dec., and they also sighted eight to ten destroyers and three large merchantmen. According to Italian air reconnaissance, five heavy and three light vessels and destroyers were lying in Alexandria during the afternoon, four light cruisers were at sea off Alexandria, and 30 miles from this group was another light cruiser. All these vessels were on a westerly course.

A fairly large vessel, allegedly a battleship of the NELSON class, was sighted from Cape Matapan during the morning, sailing a westerly course. No further data is available to substantiate this most unlikely assumption. Neither NELSON nor RODNEY can be the vessel in question according to data available to the Naval Staff. Reports from Italian agents state that two Spanish steamers arrived at Tobruk from Gibraltar via Malta. Two other steamers are waiting at Malta for two destroyers to escort them to Tobruk.

2. Situation Italy:

Nothing to report.

3. Transport of Supplies to North Africa:

Nothing to report.

4. Area Naval Group South:

Aegean Sea:

See Radiogram 2035 for the request from the German Naval Command, Italy to load available Italian torpedo boats with aviation fuel at Piraeus and to dispatch them to Benghazi. Group South requests clarification whether the directive concerning use of Italian torpedo boats for transport of supplies to North Africa concerns only the vessels under Italian command, respectively those under the command of the Admiral, Dodecanese, or whether it also applies to the vessels under the Admiral, Aegean. Group South points out that the latter vessels are indispensable to operations connected directly with the African operations and also calls attention to the new request from the Air Force units based on Crete for a monthly shipment of 30,000 tons of gasoline and ammunition. For details see Radiogram 1150.

For requests concerning personnel from the Admiral, Aegean to the Navy Personnel Office see Radiogram 1845.

The Italian request concerning installation of an Italian naval command on Suda is now also forwarded directly to the German Naval Staff by the Italian Admiral. (Compare War Diary 19 Dec..) Copy as per 1/Skl 29541/41 Gkdos. in War Diary, Part C, Vol. XIII.

Black Sea:

Enemy Situation:

No new observations.

Own Situation:

According to a report from Naval Group South, Rumanian destroyers are said to have sunk a Russian submarine on 1 Dec. and another one on 17 Dec.. Otherwise nothing to report.

VIII. Situation East Asia1. Enemy Situation:

Nothing to report.

2. Situation Japan:

More troops were landed on eastern Borneo. Landing operations on western Borneo are being prepared. Japanese destroyers sank three submarines in the South China Sea. One Japanese destroyer was lost during these operations. The Japanese captured British aerial torpedoes at the air base of Kota Bharu. Some of these are being forwarded to the German Navy via blockade-runners. Press reports state that a British naval vessel was sunk south of Hong Kong.

IX. Army Situation1. Russian Front:Southern Army Group:

Heavy fighting around Sevastopol. No noteworthy fighting on the 1st Panzer Army sector. Some enemy attacks were repulsed on the sectors of the 17th and the 6th Army.

Central Army Group:

The enemy continued his attacks along the entire front. Some of these were rather strong and were supported by artillery, tanks, and planes. The enemy forces which were reported on the march from Yelets are advancing towards our positions in a broad front. Fighting is taking place around several enemy penetrations on the 2nd Army sector. Strong enemy attacks were repulsed on the 4th and 9th Army sectors.

Northern Army Group:

The lines of the I Army Corps south of Volkhovstroy were withdrawn as far as Panevo. Strong enemy attacks near Ovlovno and south of Schluesselburg as well as west of Oranienbaum were repulsed.

2. Finnish Front:

No change in the situation.

3. North Africa:

Strong enemy forces with new armored units which followed our Panzer Group reached the area approximately 90 km. from Benghazi by the evening of 20 Dec.. At that time our Panzer Corps stood in the area southeast of Benghazi after surmounting most difficult road conditions. The Italian XXI and X Army Corps held the

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covering positions near Maraua and north of Maraua. The Air Force was able to fly only one mission in support of our troop movements because of fuel shortage. Some of the fuel transported to North Africa by submarines is unusable because of too low an octane rating. Our losses from enemy air action have increased to a regrettable extent.

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Items of Political Importance

Great Britain:

The Government published a declaration concerning the occupation of Timor which corroborates the statements made by Salazar. The British declaration states that Australian and Dutch troops occupied Timor while negotiations were still in progress, supposedly because there was danger of a Japanese attack.

Portugal:

The occupation of Timor is causing concern, mainly because it is feared that the U.S. might seize the Azores or the Axis powers might use it as an excuse to occupy the Iberian Peninsula.

Italy:

In Brazil, the Italian air line "Lati" has also been forced to discontinue operations because its shipments of gasoline were cancelled.

Colombia:

The President declared that Colombia feels obliged to break off diplomatic relations with the Axis powers.

Brazil:

Diplomatic reports state that the Government has firmly resolved not to comply with the U.S. request to break off diplomatic relations with the Axis powers.

Spain:

Press reports state that Spain will continue to maintain her "non-belligerent" status.

Special Items:

I. Relief from Duty of the Commander in Chief, Army:

See War Diary Files "Barbarossa" for the order of the day from the Fuehrer to the soldiers of the Army and the Waffen-SS which was distributed on 19 Dec., and the order of the day to the Army from Field Marshal von Brauchitsch of 19 Dec.

II. The Armed Forces High Command, Operations Staff, National Defense informed the Naval Staff of the results of the conference between the Commanding General, Norwegian Theater, and Field Marshal

Mannerheim. It was decided not to launch the winter offensive on Kandalaksha, but to launch instead a massed attack on Byelomorsk in the beginning of March to cut the railway to Murmansk and to gain an initial point for further operations. The prospect of getting the VII Mountain Division under his command was held out to Field Marshal Mannerheim. This division can be brought up in early January via Helsinki and Petrozavodsk.

III. The Food Situation in Italy:

Report No. 10 published by the Naval High Command, Administrative Division giving a very detailed review of the food situation in Italy states in its summary that it is still too early to draw far-reaching conclusions showing that Italian supplies are inadequate. Although the standard of living is modest, there are still some reserves of almost everything. However, it must be considered likely that Italy will be confronted by new problems within half a year because the reserves are slowly being exhausted.

IV. German-Japanese Cooperation:

In accordance with the present policy of close cooperation, and in view of the European repercussions of the occupation of Timor by the Australians and the Dutch, the Japanese Naval Attache informed the Chief, Operations Division, Naval Staff that the Japanese are not planning to take any countermeasures at present and asked for our opinion. The Chief, Operations Division, Naval Staff first of all welcomed this information and the inquiry as proof that the Axis navies are coordinating their strategic and operational thinking as essentially desirable. He pointed out that the Japanese opinion that there is no military or strategic obligation to attack Timor is fortunate in view of possible repercussions in Europe.

Situation 21 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

On 21 Dec. the RENOWN was located northwest of the Hebrides proceeding in the direction of Iceland. At the same time, the RODNEY was presumably proceeding from Iceland to northern Scotland.

South Atlantic:

The INDOMITABLE is presumably located somewhere between Trinidad and the Cape of Good Hope. A press report from Buenos Aires states that the U.S. is expected to propose at the conference in Rio de Janeiro that all American countries make their navies available for a convoy system, to be set up within western

territorial waters.

Indian and Pacific Ocean:

On 16 Dec., convoy BA 11 departed from Bombay en route to Aden. On 18 Dec., the U.S. radio station on Mary Island broadcast directives to all U.S. merchantmen concerning procedures to be followed when sailing the Columbia River and the Strait of Juan de Fuca.

2. Own Situation:

The Naval Attache at Tokyo forwarded the brief report which the KULMERLAND received from ship "41" the middle of October and brought to Tokyo. According to this report, the auxiliary cruiser was located between Colombo and Sabang on 17 June 1941 and was ready to proceed into the Bay of Bengal when she encountered an enemy auxiliary cruiser 24 June and had to give up this plan. On 26 June she sank the Yugoslav steamer VELEBIT and the Australian steamer MARAWA. From 17 July on ship "41" operated in the area between Sumatra, Java, and the northwestern corner of Australia, from 11 Sept. on she operated in the area between the Maldive Islands, Chagos Archipelago, and the Seychelle Islands, where she sank the Greek steamer STAMATIOS G. EMBIRIOS on 23 Sept.. On 16 Oct., ship "41" met the KULMERLAND. Her engines were overhauled in the middle of July and September. Altogether ship "41" sank eleven enemy ships totalling 68,283 BRT. The commandant of the auxiliary cruiser states in his estimate of the situation that enemy naval forces effectively keep enemy shipping from sailing within unprotected waters so that a merchant raider's chances for sinking vessels are slight. In spite of this however, the indirect effects seem to warrant that an auxiliary cruiser be on duty in the operational areas of ship "41".

On the basis of the new situation resulting from the U.S. and Japan entering the war, the Naval Staff, Operations Division has revised the "Directives for the Conduct of the War against Merchant Shipping". The most notable changes are as follows:

"1. Ships of the United States and all her allies are to be treated as enemies.

"2. All limitations in the blockade areas have been rescinded (with exception of shipping to and from Sweden).

"3. The Pan-American safety zone is no longer to be honored.

"4. Not only completely blacked-out ships, i.e., ships proceeding with extinguished running lights, are from now on to be considered blacked-out, but also ships proceeding with their running lights burning but without lighted neutrality markings."

See War Diary Files "Directives for the Conduct of the War against Merchant Shipping" for a copy of the revised edition as per 1/Sk1 I ia 28708/41 Gkdos. Reports on the Enemy Situation sent by Radiograms 1609, 1709, 2011, and 2347.

II. Situation West Area1. Enemy Situation:

Air reconnaissance located eight steamers and one tanker off Lizard Head, three steamers off Falmouth, and four steamers of various sizes off Plymouth. During the evening, radio monitoring intercepted urgent code signals from Harwich, presumably reports on locations of German PT boats and reports from patrols around Lowestoft concerning the sighting of unidentified vessels.

2. Own Situation:Atlantic Coast:

The departure of ship "10", which has in the meantime proceeded from Le Havre to Bordeaux, and the departure of the tanker BENNO are scheduled for 22 Dec.

Admiral, France reports that the anti-aircraft defenses of Brest have been strengthened considerably during the last few days. The very considerable total of anti-aircraft artillery defenses now comprise thirty four heavy and twenty two light anti-aircraft artillery batteries and nine searchlight batteries. The pursuit defenses now comprise six squadrons, which means that all available forces within the area of the 3rd Air Force have been committed to the defense of Brest. Thus the anti-aircraft artillery and pursuit plane protection is stronger than, for example, that of Wilhelmshaven. However, the absence of night pursuit facilities constitutes a gap in the defenses. It will take three to four months to remedy this situation. Temporary measures for flying night pursuit missions are not possible according to the 3rd Air Force. A further reinforcement of the anti-aircraft artillery defenses would have to come from Navy resources in other areas. However; the Naval Staff does not consider such action necessary aside from the fact that the required materiel is not available elsewhere. For the report from Admiral, France see Radiogram 1400.

Channel Coast:

During the evening, the 2nd and 4th PT Flotillas went on torpedo and minelaying missions in the area between Great Yarmouth and Orfordness.

III. North Sea, Norway, Arctic Ocean1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

No new reports have been received.

Own Situation:

The steamer ELMSHORN (4,301 BRT) was torpedoed by an enemy submarine in the entrance to the Varanger Fjord. It is kept afloat by its cargo of wood and is drifting in a southerly direction. The crew abandoned ship. The harbor patrol vessel STEINBOCK sank when the weather became worse. A bomb inflicted light damage on the steamer MAGDALENA VINNEN off Stadland.

After receiving the battle reports of all of its destroyers, the 8th Destroyer Flotilla reports that one enemy destroyer was definitely sunk and that it may be assumed with certainty that the second one also sank (see Radiogram 2300).

Radiogram 1310 from the Commanding Admiral, Norway reports that a rumor is circulating in Harstad to the effect that American, Canadian, and British troops will land in northern Norway during the Christmas holidays. Little credence should be given to this rumor although it has found remarkably wide circulation.

In view of the necessity for alleviating the convoy-situation along the Arctic Coast by transferring an additional minesweeper flotilla to that area, Group North inquired on 13 Dec. whether sweeping a mine-free channel to Helsinki can be delayed, whether the convoy situation along the Arctic Coast is very urgent and necessitates the immediate transfer of a minesweeper flotilla, or whether the operations conducted by Group West are of such importance that it is altogether impossible to spare a minesweeper flotilla for the Commanding Admiral, Norway. This problem has become all the more urgent since the 3rd Minesweeper Flotilla must be overhauled after it has been relieved by the 15th Minesweeper Flotilla, and the Commander, Minesweepers could transfer the 4th Minesweeper Flotilla to Norway only at the expense of foregoing the sweeping of a channel west of Dagoe. Any further reduction of the forces under Commanding Admiral, Defenses, North and Commanding Admiral, Defenses, East cannot be tolerated, however.

The Naval Staff took a stand on this matter on 16 Dec. and decided that it is at present impossible to transfer further reinforcements to Norway. (See War Diary 16 Dec., Own Situation, Baltic Sea.) However, the Naval Staff believes that the priority rating of operations in the Arctic Ocean area should be reviewed in view of the shortage of minesweepers and defense forces. It is the opinion of the Naval Staff that escort service, submarine chase and minesweeping operations are more urgent than the laying of mine fields (including the mine field in Petsamo Fjord) since the latter are only of limited value for the protection of convoys.

The Commanding Admiral, Norway is advised accordingly. Group North informed.

3. Arctic Ocean:

The Commanding Admiral, Submarines believes that a submarine staff officer should be detailed to the Admiral, Arctic

Ocean for as long as submarines are operating within that area. The Naval Staff welcomes this suggestion.

IV. Submarine Warfare

1. Enemy Situation:

A Spanish report states that the British steamer OGMORE CASTLE and the tankers BRITISH CONSUL and VELMA were sunk out of convoy HG 77. According to an Italian report, on 19 Dec. a British destroyer is said to have landed at Gibraltar forty nine German prisoners of war from two submarines that had been sunk. An intelligence report states that two specially small patrol vessels or submarine chasers camouflaged as Spanish fishing steamers, are now operating in the Gibraltar area. At noon, radio monitoring intercepted a report from an airplane telling of a bomb attack on a submerging submarine east of Gibraltar, and it is assumed that a hit was scored. During the evening, radio monitoring intercepted an order to a plane, repeatedly given, that it attack a submarine proceeding east of Ceuta.

2. Own Situation:

Contact was maintained with convoy HG 77 which has reached a point near 43° N. Two submarines setting out on missions have also encountered the convoy. At 2300, submarine U "751" scored three hits on an aircraft carrier which it reported to be of the FORMIDABLE class. It is highly probable that the aircraft carrier sank, but enemy interference prevented further observation. About an hour later, submarine U "67" reported an unsuccessful attack on aircraft carrier UNICORN.

See War Diary, Part B, Vol. IV for a detailed report on the situation. The Commanding Admiral, Submarines reports that according to a special source, apparently a letter from a prisoner of war camp, secret material, codes, and recognition signals of submarine U "570" were destroyed.

V. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

An attack by eight bombers on the British vessel lying at Valetta and tentatively identified as a battleship, scored no direct hits.

For reports by reconnaissance see Enemy Situation, Mediterranean.

3. Eastern Front:

Nothing to report.

VI. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

Nothing to report.

Central and Eastern Mediterranean:

In the afternoon of 20 Dec., German aerial reconnaissance reported sighting two battleships lying at Valetta. An Italian report of the morning of 21 Dec. confirmed this. The Italian Navy assumes that one battleship and one heavy cruiser are involved. Aerial photography evaluation by the X Air Corps of 21 Dec. shows that the four vessels which had been sighted off Alexandria on 20 Dec. were destroyers, not cruisers. It is altogether impossible to expect aerial reconnaissance to determine types of vessels with absolute accuracy, and therefore one cannot be absolutely sure that the ship lying at Valetta is actually a battleship. No naval vessels or merchantmen were reported sighted on 21 Dec.. On 20 Dec., Italian radio monitoring intercepted messages of an encounter between a submarine and a cruiser off Alexandria and the subsequent arrival of the cruiser at the port.

2. Own Situation:

The 3rd PT Flotilla performed no missions because of the weather.

3. Situation Italy:

A belated report from the Italian Navy states that the submarine BAGABUR scored three torpedo hits on a British cruiser near Malta on 14 Dec.. It is believed certain that the cruiser was sunk. According to a report from the Naval Supply and Transport Office at Tripoli, an enemy air raid at noon caused no military damage. The report on the situation from the Italian Navy contains a belated description of events on 17 and 18 Dec.. The report states that a brief engagement took place between the Italian naval force and an enemy force consisting of a battleship, four cruisers, as well as twelve torpedo carriers. The engagement was interrupted by darkness. During the subsequent engagement with enemy destroyers, one destroyer was sunk by the GORIZIA and another one badly damaged and probably sunk by Flotilla MAESTRALE. During the evening of 18 Dec., enemy bombers and torpedo planes attacked the Italian convoy off Tripoli. The steamer NAPOLI was damaged during the raid but nevertheless towed into Tripoli.

An Italian report states that the enemy has occupied Derna. According to a report from the Naval Supply and Transport Office, North Africa, the evacuation and destruction of Benghazi is under way. All offices of the Army and the Air Force have already left. Lieutenant Meixner is supposed to move to Ras el Aali during the night of 21 Dec. or the morning of 22 Dec. after the last vehicles have been dispatched and destruction of harbor installations is completed (see Radiogram 2100).

4. Transport of Supplies to North Africa:

One more destroyer arrived at Benghazi on 20 Dec.. Since 20 Dec. three transport submarines are en route to Benghazi or Bardia.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

Reports state that submarines were sighted in the Gulf of Mirabella (Crete) and off Candia, but the same submarine was probably involved in both instances.

Own Situation:

Describing the torpedo boat situation in his command area, the Admiral, Aegean proposes that the two or three torpedo boats under his command which are fit for duty be used only for transporting supplies destined for North Africa from Greece to the relay station at Suda. There the supplies should be transferred onto destroyers under the command of the Supermarina at Rome and taken to Africa (see Radiogram 0334).

Land batteries fired twenty seven rounds at an enemy submarine off Candia.

Black Sea:

Enemy Situation:

Reports from agents state that approximately sixty cutters and allegedly eight smaller naval vessels are lying at Temryuk ready to land about 2,000 men north of Kerch. The XXX Army Corps expects enemy troop landings by about five ships 20 km. east of Balaklava.

Own Situation:

The only way in which the Navy could interfere in enemy landing attempts at this time is using submarine DELFINUL. However, this submarine is not fit for duty right now and its crew is not trained for such an operation.

Otherwise nothing to report.

VII. Situation East Asia1. Enemy Situation:

For data on the mine field east of Singapore harbor see Radiogram 1930.

2. Situation Japan:

According to a report from the German Ambassador at Tokyo, the Japanese consider the situation on the Philippines already under control. A report from the Military Attache at Bangkok of 17 Dec. states that Japanese plans are as follows: Conquest of Hong Kong by Japanese Canton Army; simultaneous occupation of the Philippines by the army under Homma; advance into southern Malaya and attack on Singapore by the army under Yamashita; penetration of Burma and advance on Rangoon by the army under Jida. Furthermore, if after completion of these operations no agreement can be reached with the Dutch peacefully, it is planned to attack Sumatra, Dutch Borneo, and Java. An attack on Australia and India is thought of as the next step. Operations are proceeding as planned according to the reliable source of the above information, Colonel Ishii. The only cause for worry is interference with transport operations by enemy submarines. Ship losses amount to 4% so far. The Americans show less fighting spirit than the British, who fight doggedly and tenaciously.

VIII. Army Situation1. Russian Front:Southern Army Group:

Fighting in the Crimea was characterized by enemy counter-attacks which were repulsed everywhere, greater effectiveness of enemy artillery through use of naval artillery, and enemy landing attempts. A local enemy attack was repulsed on the sectors of the 1st Panzer Army, the 17th Army, and the 6th Army. Furthermore artillery activity on other sectors.

Central Army Group:

The 2nd Army was again subjected to strong enemy attacks which led to new penetrations. The XLVII, LIII, and XXIV Army Corps withdrew to the Sabino-Gorbachevo-Odoyevo Line. The enemy followed up without launching an attack. Also the 4th and 9th Armies were subjected to severe enemy attack. The situation near Mozhaisk is very critical. The new positions of the XXVII and VI Army Corps south of Kalinin were exposed to heavy enemy attacks.

Northern Army Group:

Under continuous enemy pressure, the position of the XXIX Army Corps must be withdrawn to the Volkhov River.

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2. Finnish and Norwegian Front:

No change in the situation.

3. North Africa:

The German Afrika Korps continued its march in the Agedabia area. Withdrawal movements on the XXI and X Italian Army Corps sectors are proceeding according to plan. The fuel situation limited the fighter escorts of the Air Force on 21 Dec.

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Items of Political Importance

Spain:

See Political Review No. 300, Paragraph 3 for Spanish reaction to the Japanese occupation of the Philippines in view of the high percentage of Spaniards living in the Islands.

Ecuador:

Contradictory reports have been received concerning the Galapagos Islands. Some state that the U.S. is about to occupy the islands while others maintain that U.S. pressure in connection with recent developments in the Pacific is letting up.

U.S.A.:

Admiral Ernest King, until now Chief of the U.S. Atlantic Fleet, has been named Commander in Chief of the U.S. Fleet. Through a statement by the Department of State concerning the Martinique Agreement, it has become known that Roosevelt sent a message to the French High Commission assuring them that French sovereignty will not be jeopardized. The U.S. is only interested in maintaining friendly relations with France, but must also be concerned about its own safety.

Conference on the Situation with the Chief, Naval Staff.

The Naval Staff, Quartermaster Division, Plans and Schedules Branch (AII) reports how the Fuehrer directive to transfer unessential German troops out of the Rumanian area is being carried out, and gives reasons showing that it might be appropriate to change the title of the Commanding Admiral, Naval Mission in Rumania to "Admiral, Black Sea" in view of the actually purely operative mission of this command. The Chief, Naval Staff endorses this proposal. It seems that the Armed Forces High Command is planning to place the Navy forces remaining in Rumania under Army command, but the Chief, Naval Staff decides that any such move must be rejected. The Chief, Operations Division, Naval Staff reports on the conference with the Japanese Naval Attache, Captain Yokoi (see War Diary 21 Dec.).

The conflicting political and military viewpoints became very apparent during the discussion of the announced Japanese intentions to annex bases on Madagascar and to launch from them operations against enemy shipping. Although from a military point of view it would certainly be advantageous if the enemy's life-line were attacked and disrupted at this vital point, the political consequences of such a step on the part of the Japanese, i.e., an unfavorable effect on Franco-German relations and an expansion of the yellow

sphere of influence far beyond 70° E toward the west, are of such importance that it seems wise to work very definitely against this Japanese intention. In this connection, the Chief of Staff, Naval Staff emphatically points out the grave danger which will arise if the Japanese annexation of Madagascar arouses a reaction in French West and North Africa which consequently will make it impossible to regain and maintain German and Italian control over the Mediterranean.

The Naval Staff, Operations Division, Political and Propaganda Section reports that an apology has been forwarded to the Spanish Government concerning the sinking of the steamer BADALONA by the German Air Force. The Chief, Naval Staff once more points to the significance of the naval vessels at Brest, the importance of which is now greater than ever as the result of the new situation and the protection of which against the extraordinary threat from enemy air forces constitutes a military problem of prime importance. The artillery and smoke screen defenses should be adequate. In order to provide defense against high altitude enemy planes, it is ordered that the Commander in Chief, Air be notified of the necessity for attacking enemy air bases.

Situation 22 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

The ILLUSTRIOUS was located in the immediate vicinity of the British Isles, and the SUFFOLK in the Rosyth area. According to Reuter, the U.S. Navy Department announced the creation of a sea frontier system involving the areas of thirteen harbors and important shipping routes along the east and west coasts. All shipping within those areas will be under Navy control. The following harbors are concerned: Portland, Maine; Portsmouth, New Hampshire; Boston; Narragansett Bay, Rhode Island; San Diego; San Francisco; the mouth of the Columbia River and the Strait of Juan de Fuca; Puget Sound, Washington; New London; New York Harbor; Delaware Bay and Chesapeake Bay; Norfolk, Virginia, and the harbor of Charleston, South Carolina. The Navy Department announced that publication of weather reports would be restricted. According to Associated Press, the White House is considering the creation of an Inter-American convoy system in which naval vessels of the South American States are to participate.

South Atlantic:

The INDOMITABLE was supposed to leave Trinidad on 17 Dec. and if possible proceed to the Cape of Good Hope area via 05° N 47° W, 03° 40' S 17° 20' W, 38° S 16° 30' E, 37° S 27° E, and 32° 30' S 31° 00' E. On 16 Dec. the following vessels were at sea on patrol duty: Auxiliary cruiser WOLFE between 20° and 30° S, 0° and 10° W; the BULOLO between 20° and 30° S, 30° W to the South American coast; the ASTURIAS in the Bahia area. On 16 Dec. the cruiser

BIRMINGHAM was located at about 26° S 20° W headed for La Plata. On 17 Dec. two vessels coming from the south arrived at Simon's Town (Cape of Good Hope). On 18 Dec. the BORNEO and SOUTHWORLD were reported leaving Durban for Kilindini (Kenya).

Indian Ocean:

On 7 Dec. the French steamer ST JACQUES left Bombay en route to Basra loaded with troops and materiel. For points en route see daily situation reports.

Pacific Ocean:

The order to make for the nearest port was rescinded by a radiogram sent to all U.S. ships in the Pacific by the Commanding Admiral of the 12th Naval District.

2. Own Situation:

Radiogram 2046 was sent to all concerned, informing that code word order "Perseus" for cipher "Triton" and "Heimisch" will no longer be effective beginning 26 Dec.. All concerned informed about the situation in East Asia by Radiogram 0523; about the enemy situation by Radiogram 1815.

II. Situation West Area

1. Enemy Situation:

According to aerial reconnaissance, a convoy made up of twelve steamers escorted by a cruiser and two escort vessels was located south of Milford, course 100°. Two cruisers and one destroyer were located on southwesterly course south of Queenstown. Long-range reconnaissance located convoy HG 77 at 45° 20' N, 20° 20' W on northerly course. The convoy was made up of twenty six steamers escorted by a cruiser, two destroyers, and four or five escort vessels. One FW 200 is missing from the long-range reconnaissance forces of 21 Dec.

2. Own Situation:

Atlantic Coast:

The tanker BENNO departed from St. Nazaire. Auxiliary cruiser, ship "10" departed from Bordeaux. Security measures for both vessels were executed according to plan. Long-range reconnaissance missions are planned for 23 Dec. depending on the position of the convoy.

The Naval Staff wonders whether departure of the two vessels was not premature in view of the position of convoy HG 77, especially since the weather forecast leads us to expect high barometric pressure with visibility ranging from good to fair.

Channel Coast:

The minelaying mission of the 2nd and 4th PT Flotillas was executed according to plan. Weather conditions prevented torpedo attacks.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

No special observations. Convoy FS 78 entered the Thames.

Own Situation:

From 1900 to 2300 enemy planes crossed the coast near Terschelling on their way to and from the East Frisia-Weser River area. The main target for the raids was Wilhelmshaven where fourteen high explosive and sixty incendiary bombs were dropped. One oil storage tank in the Tirpitz harbor was damaged. One of the attacking planes was shot down near Norderney by Navy anti-aircraft artillery.

2. Norway:Enemy Situation:

Aerial reconnaissance identified the enemy force located northeast of Kola Bay as comprising one destroyer and two escort vessels escorting a 4,000 BRT steamer. According to press reports, the Soviet Government has decided to construct two new ports in the Arctic Ocean, to be called Novoport and Igarka, in the mouths of the Ob and the Yenisei Rivers respectively. These ports will serve to receive the increased shipments of war materiel during the summer of 1942.

Own Situation:

Salvage operations on the steamer ELMESHORN (cargo: Barracks for Petsamo) and attempts to scuttle her by artillery shelling were unsuccessful, partly because of weather conditions, partly because of buoyancy of the cargo.

The departure of submarines U "134", U "454", and U "584" for their respective zones of operation is planned for 25 Dec.. A Norwegian steamer arriving at Honningsvaag was unsuccessfully fired at by an enemy submarine. Torpedoes exploding on the rocks inflicted heavy damage to the signal station but caused no casualties. Mine-exploding vessel "139" detonated six ground mines in the harbor of Oslo. Because the mine-exploding vessel sustained heavy damage during the operation, further clearing operations had to be temporarily discontinued and the endangered area closed to shipping.

The coastal batteries in the Narvik area have been ordered to be ready for action on shorter notice beginning 21 Dec. in view of the current rumors about an imminent enemy landing. Group North makes the following appropriate comment concerning these rumors which had been reported by the Commanding Admiral, Norway (see War Diary 21 Dec.): "Even though it is very unlikely at this time that any of the rumors concerning enemy landings are true, and though it is unlikely that large-scale operations against northern Norway will be launched in view of the probability that they will be repulsed, there is an increasing possibility that the enemy will try to gain prestige by staging surprise raids and achieving quick successes in view of growing difficulties, such as defeat in the Pacific."

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Bad weather forced coastal patrol vessels in the Skagerrak to seek shelter near Skagen. Five of our own and four British mines, as well as three explosive floats, were detonated eight miles north of Skagen. Three steamers left Stettin on 22 Dec. in order to transfer the 3rd Mountain Division from Vasa.

Concerning the transfer of an infantry division from East Prussia to Riga and Reval between 29 Dec. and 10 Jan., an agreement has been reached with the Army High Command and the Northern Army Group whereby half of the troops are to be shipped to Reval and the other half to Riga. Group North received the order to provide an adequate convoy for the transport of the troops to Reval. This mission has priority over all others, including the establishment of a deep water channel to Reval and, if necessary, also the coastal patrols in the Skagerrak. The Army High Command is willing to take the responsibility for later effects on troop and supply shipments resulting from a delay in establishing a deep water channel to Reval. Transportation details will be arranged between the Infantry Division and Naval Staff, Quartermaster Division, Shipping and Transportation Branch through the Supply and Transport Office of the Armed Forces Overseas. For the corresponding order to Group North see Radiogram 1616. Radiogram 1538 from Group North reports that, to begin with, one minesweeper flotilla will be alerted and that another one will be held in reserve.

V. Submarine Warfare

1. Enemy Situation:

Intercepted reports from enemy planes state that they sighted submarines, presumably in the vicinity of convoy HG 77, and also an oil spot and a submarine north of the Saint George's Channel; a British vessel was located approximately eighty miles northwest of Cape Ortegál. According to an intelligence report,

a convoy was expected to arrive at Lisbon between 20 and 22 Dec.. A submarine chase was reported in the Gibraltar area. According to an intelligence report, a Canadian ship with a damaged bow, identified as K "196", was towed into Gibraltar.

2. Own Situation:

From further reports from submarine U "751" about the attack on the aircraft carrier it may be concluded almost with certainty that the aircraft carrier was not one of the FORMIDABLE class but the UNICORN and that she was definitely sunk. On the basis of subsequent data it may be presumed that the later unsuccessful attack by submarine U "68" may have been made on a steamer equipped with a catapult. According to further reports, the steamer which was torpedoed in convoy HG 77 on 19 Dec. sank. Contact with the convoy was maintained. For a further situation report see War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

For data on enemy raids in the Cuxhaven-Bremen area see Situation North Sea. For air reconnaissance reports see Situation West Area. Otherwise nothing to report.

2. Mediterranean Theater:

Missions were flown against concentrations of enemy vehicles in the Derna area.

3. Eastern Front:

Support of Army operations.

VII. Warfare in the Mediterranean

1. Enemy Situation:

German aerial photographic reconnaissance over Valetta showed two cruisers, one auxiliary cruiser, six destroyers, ten submarines, and eight steamers lying in the harbor. No battleship was sighted. Italian air reconnaissance at the same hour sighted one large auxiliary cruiser, three cruisers, six destroyers, nine submarines, six steamers, and one tanker. Air reconnaissance over the eastern Mediterranean sighted a few steamers and destroyers.

2. Situation Italy:

The steamers SPEZIA and CATAMOSTO were sunk west of Misurata by an enemy submarine. According to a Stefani report

on the naval battle north of the Gulf of Sidra, some of the enemy vessels were hit by bombs and torpedoes dropped by the Italian planes and two enemy destroyers were hit by Italian ship artillery. One of the destroyers exploded, while the other was already sinking when disappearing into a smoke screen. A battleship received several direct artillery hits. No Italian ships were damaged.

The German Naval Command, Italy has not reported details from the situation report of the Italian Navy concerning these events, particularly the hits scored on the enemy battleship and the sinking of the two destroyers.

3. Transport of Supplies to North Africa:

The steamer PROBITAS arrived at Tripoli on 21 Dec. with 6,000 tons of foodstuffs. Three transport submarines are en route to Bardia. The steamers BROOK and ANKARA have left Benghazi en route to Tripoli.

4. Area Naval Group South:

Aegean Sea:

Radiogram 1405 from the Naval Staff states that the German Naval Command, Italy has the authority to assign a submarine to Group South for its current missions in the Aegean. The convoy of steamer SIENA, with 800 German and 100 Italian soldiers aboard, arrived at Suda. The ship is scheduled to depart again for Piraeus on 23 Dec. together with three troop transports carrying 300 men each, two steamers with Army materiel, and three empty steamers. Minelaying mission "Barletta" has been postponed until 23 Dec. because of the weather.

Black Sea:

According to a report from Group South, air reconnaissance reveals nothing to substantiate the XXX Army Corps' assumption that the enemy will attempt a landing on the southern coast of the Crimea. Otherwise nothing to report.

5. Situation France:

The German Naval Command, Italy requests that the Naval Staff support the Italian request to the Armistice Commission that the French be forbidden to chase submarines and carry on submarine reconnaissance in the western Mediterranean. The Naval Staff is also asked to insist that the French do not chase submarines in their own territorial waters. Concerning the latter point, the German Naval Command, Italy requests the Naval Staff at least to insist that the Axis Powers have the right to prohibit anti-submarine operations in certain French territorial waters at specified times. See War Diary, Part C, Vol. XVI for a copy of the corresponding message from the German Naval Command, Italy, as per 1/Skl 29622/41 Gkdos.

VIII. Situation East Asia1. Enemy Situation:

The aircraft carrier INDOMITABLE is en route from the West Indies to the Indian Ocean. According to Reuter, the British auxiliary cruiser BANKA was lost. Radio station Daventry announced that Dutch East Indian air forces successfully attacked Japanese vessels off Miri (Sarawak, Borneo) on 19 Dec. and allegedly scored hits on one cruiser. According to DNB, three British PT boats were destroyed off Hong Kong on 19 Dec.. According to a Vichy Telegraphic Service report, two Japanese transports are said to have been seriously damaged near Legaspi by air raids, and Dutch East Indian planes are said to have sunk two Japanese transports en route from Korea to Borneo. Reuter further reports via Rome that Japanese troops landed on New Guinea. The U.S. tanker EMIDIO (6,912 BRT) was sunk off the coast of California.

2. Situation Japan:

According to Domei, it is certain that the Japanese Navy sank nine enemy submarines so far. The crew of one submarine was captured. Large Japanese troop contingents, brought by four transports, landed at Davao on Mindanao (Philippine Islands). Enemy resistance was crushed.

IX. Army Situation1. Russian Front:Southern Army Group:

Heavy fighting around Sevastopol. No noteworthy fighting on the other Army sectors of the Group.

Central Army Group:

The enemy attack which has lasted three weeks so far, with twenty two divisions and five brigades against eight weak divisions of the 2nd Army is continuing, and forces us to effect further local withdrawals. At the 4th Army sector, the enemy penetrated as far as Kaluga. At the 4th Panzer Army sector, the situation is as critical as ever because of supply difficulties.

Northern Army Group:

Local enemy attacks on the various frontal sectors were repulsed. We were able to wipe out local enemy penetrations on the Leningrad front.

2. Finnish and Norwegian Front:

Enemy attacks on the Svir front and south of Liza Bay were repulsed.

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3. North Africa:

The enemy's intention to block the way to the south for our troops standing near Benghazi, led to fighting between the German Afrika Korps and the 22nd Guard Brigade advancing into the Saunnu area via Andelat. The outcome of the battle has not yet been reported. Our command unit was transferred to Marsa el Brega.

23 Dec. 1941

Items of Political Importance

Great Britain:

According to foreign reports on the frame of mind in Parliamentary and Government circles at the time Parliament was called into session on 19 Dec., nobody denies that the foundations of the Empire are gravely threatened for the first time since the outbreak of the war as the result of the Japanese attack. Of course, everybody expects that the military and political conduct of the war up to now will be criticized severely, but in the end there probably will be unanimous support for concentration of all available forces in order to avert the grave threat which is considered really serious.

Iran:

See Political Review No. 301, Paragraph 4 for contents of the pact proposed by the British and the Russians. The pact contains, among other clauses, a stipulation for occupation and control of the Iranian traffic routes, a guarantee of present-day Iranian frontiers, and withdrawal of all troops six months after cessation of hostilities. Attempts to effect an early withdrawal of Russian troops through British mediation failed.

U.S.A.:

According to Reuter, Churchill arrived in Washington accompanied by Lord Beaverbrook; Admiral Dudley Pound; Field Marshal Dill, the Chief of the Imperial General Staff; Air Chief Marshal Portal, the Chief of Staff of the RAF; U.S. Ambassadors Winant and Harri-man. Roosevelt declared that the visit serves a purpose of prime importance, the destruction of Hitlerism throughout the world. It is planned to set up a fully coordinated system of warfare in which Russia, China, the Netherlands, and the British Dominions will also be included.

Concerning the attitude of the Latin American countries, a confidential declaration from the Chilean Foreign Ministry receives close attention. It states that Chile does not consider breaking diplomatic relations with the Axis Powers and will demand economic concessions from the U.S. merely for declaring her solidarity. Argentina and Peru would act likewise.

Japan:

According to the opinion held by Japanese military circles, reinforcements for Singapore will probably arrive too late. A report from the German Ambassador states that Japanese circles are trying hard to show toward Germany a degree of warmth which is unusual in Japan. It is given to understand that Japan is especially anxious for military cooperation with Germany and the reopening of a shipping route between Japan and Europe. A German offensive in the Near East

will be especially welcome after the successful Japanese advance into southern Asia.

Conference on the Situation with the Chief, Naval Staff.

The Chief, Naval Staff decides that the top personalities of the Italian Navy are not to be decorated with the Iron Cross as proposed by the Commanding Admiral, German Naval Command, Italy until the meeting between the Chief, Naval Staff and Admiral Riccardi, which is to take place in the near future.

The Chief, Communications Division, Naval Staff reports on conferences with the Japanese Naval Attache concerning two radar locating gear (one for shipboard and one for land) to be given the Japanese. They can be sent to Japan with the next available shipping facility in the middle of January. He also reports on radar decoy balloons, as well as on the introduction of a new cipher machine with four cipher wheels instead of three, which constitutes a noteworthy progress in code technique.

The Naval Staff, Operations Division, Foreign Affairs Section gives an account of the French report concerning the condition of the DUNKERQUE, the complete repair of which would have to take place at Toulon and would require eight to nine months. An account is also given of the progress made at the conferences of the Armistice Commission concerning the so-called "Rommel tonnage". These conferences seem hopeless in view of the uncompromising attitude of the French, who again demand revision of the treaty as a prerequisite for any agreement.

The Chief of Staff, Naval Staff expounds the following ideas about setting up new blockade zones: The blockade zones should be effective against neutrals. The remaining European neutrals are somehow or other within the German sphere of influence, and their shipping is therefore also to be controlled as Germany desires. Therefore it remains to be seen what attitude the neutral South American countries will adopt and it is wise, therefore, to make the decision on setting up new blockade zones dependent on that attitude.

The Naval Staff, Operations Division, Liaison with Air Force reports on the revision of the areas under the Commander, Naval Air and the 3rd and 5th Air Force.

Special Items:

I. See War Diary, Part C, Vol. IIB for considerations by the Naval Staff concerning the transfer of the TIRPITZ to Trondheim. Since it is desirable to hold as many enemy forces in the Atlantic area as possible in view of latest developments, this trans-

fer has assumed particular importance. A corresponding directive is sent by the Fleet Operations Section, Naval Staff to Group North; Fleet; Commanding Admiral, Battleships; and the Commander of the TIRPITZ. Copies to Group West and Commanding Admiral, Norway (1/Skl I op 2175/41 Gkdos. Chefs.).

II. After a conference with the Fuehrer, the Chief, Armed Forces High Command, Operations Staff, National Defense orders that the entire output of carbines be put at the disposal of the Army and that all home based units of the Air Force and Navy immediately are to deliver at least 50% of their Model 98 firearms to the nearest Army Ordnance Depot without substituting captured weapons. The respective High Commands are to report on the execution of this order. For a copy of this directive which contains further orders not concerning the Navy see Radiogram 2315.

Situation 23 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to radio monitoring, the RENOWN is located in the Seydis Fjord, the BERWICK in the Iceland area, and the RODNEY and ARETHUSA at sea in the northern Scotland area. On 17 Dec. the battleship HOWE was located at sea, presumably in the Greenock area. On 22 Dec. Land's End rebroadcast a distress signal from the British steamer CLAN MACAULAY, approximately 130 miles north-east of Bermuda, indicating the presence of an enemy warship. The alarm was cancelled an hour later. Naval offices were warned that the approaches to Boston harbor have been mined and received sailing directions.

South Atlantic:

On 22 Dec. the British steamer SCYTHIA (19,761 BRT) arrived at Freetown and the BIRMINGHAM at Montevideo. A large fire broke out on the French steamer AURIGNY in the harbor of Buenos Aires.

Pacific Ocean:

A submarine warning was issued for the U.S. West Coast in 34° 30' N 120° 30' W.

2. Own Situation:

Ship "10" was informed about the brief report from ship "41" (compare War Diary 22 Dec.) by Radiogram 0601. Information to all concerned as to code word orders in effect, by Radiogram 1012. Report on the enemy situation by Radiogram 2103. See Situation West Area for the turning back of ship "10" and tanker BENNO.

II. Situation West Area1. Enemy Situation:

Radio monitoring intercepted a report from enemy planes concerning a bomb attack at 1000 on a tanker 200 miles west of Cape Ortegale. Until 1804 the enemy planes maintained contact with this tanker, apparently the BENNO, which was reported to be leaking oil badly. At 1830 a destroyer was approximately 250 miles from the location of the tanker in 45° N, 13° 25' W at full speed, course 100°. Convoy HG 77 was located at BE 8110.

2. Own Situation:Atlantic Coast:

No German reports were received concerning the BENNO, obviously as the result of interference. In view of this situation, Group West decided at noon to cancel the missions of ship "10" and BENNO and to order them to turn back. To this end, the BENNO received an order by Radiogram 1223 to make for Spanish territorial waters as quickly as possible and to proceed back to the Gironde. At 1416, the BENNO was informed by Group West that submarines and planes will be sent out to escort her, and at 1923 was informed of the location, course, and speed of the British destroyer. From a report from the Air Commander, Atlantic Coast it later became evident that the BENNO in damaged condition was located in BE 9239 at 1120, course 110°, speed 8 to 10 knots. Therefore, she obviously turned back immediately after the enemy air raid at 1000. At 1935 the tanker was located about 60 miles northeast of Cape Ortegale under our own air cover. Ship "10" is scheduled to meet escorts on 24 Dec. at 0600 near Bayonne.

Mines are suspected along the submarine route 80 miles southwest of Lorient. Two Spitfires were over Brest from 1721 to 1753. Forty enemy planes raided Brest beginning at 1910. 175 high explosive and 200 incendiary bombs were dropped and scored hits among other places on the naval harbor, the airbase at South Brest, and anti-aircraft positions. Aside from some damage within the city, a direct hit was scored on the billet of a Navy chemical warfare unit, causing six dead and fourteen wounded. Further damage was caused in the Army motor pool. No vessels were damaged.

Channel Coast:

Coastal patrol vessel "1810" capsized during undocking operations at Le Havre on 22 Dec.. The cause of this accident is unknown.

III. North Sea, Norway, Arctic Ocean1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

Lively radio telephone traffic between Russian and British vessels (submarines) as well as between these vessels and planes.

Own Situation:

One of our air reconnaissance patrols sank a Russian merchantman during a low level attack east of Rybachii Peninsula and badly damaged another one northeast of Kharlovka. The patrol also reported ten German freighters between St. Ekkeroe and Vardoe which from afar gave away their position by light signals. Otherwise nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea1. Enemy Situation:

On 19 Dec. radio monitoring intercepted a radio message from Someri Island to Kronstadt stating that an attack by fifty Finnish ski troops had been repulsed without Russian losses.

2. Own Situation:

Group North requests permission for mining the channel from Kronstadt to Leningrad with aerial mines, Type B "green", which are to be transported to the navigational channel from the land by sleds. According to information received from the Mine-laying Experimental Command, aerial acoustic mines Type B "green" can later be swept individually if their location is definitely known.

Group North advises the Commander, Mine Units by Radiogram 1250 that the convoy traffic to Reval via Helsinki has priority over all other operations.

V. Merchant Shipping:

The German steamer EGERAN which sank on 26 Nov. was the fourth vessel lost in the Memel harbor mine field. In view of the apparently ineffective safety measures taken by the Baltic Naval Station, the High Command, Navy intervenes through the Chief, Maritime Branch of the Operations Division, Naval Staff. For text of the directive see War Diary, Part C, Vol. VI (1/Skl IIa 54-25/41 geh.).

VI. Submarine Warfare1. Enemy Situation:

Radio monitoring intercepted a report from a British destroyer stating that the escort carrier AUDACITY (formerly referred to as UNICORN) sank in the Western Approaches at 2300 on 21 Dec.. This eliminates all doubt of the success achieved by submarine U "751".

2. Own Situation:

The submarines which were operating against convoy HG 77 received orders to withdraw and were assigned new missions. On 21 Dec. a submarine east of Gibraltar scored two hits on a steamer of 8,000 BRT, presumably a transport, travelling in a convoy. Further observation was impossible because of strong enemy countermeasures. In the eastern Mediterranean a submarine off Tobruk sank a steamer from a convoy travelling in an easterly direction and damaged another one. For detailed situation report see War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines made it clear to the Commander, Air, Atlantic Coast that the success achieved during the attacks on the well protected convoy HG 77 (one aircraft carrier and five vessels sunk) was made possible only through the cooperation of the 40th Bomber Squadron, the reconnaissance of which located the convoy on 15 Dec.. He said that the reconnaissance done by the 40th Bomber Squadron during the following days was very accurate as to position of the convoy in spite of the latter's strong fighter plane escort (see Radiogram 1600).

VII. Aerial Warfare1. British Isles and Vicinity:

Forty two of our planes laid aerial mines in the Thames area during the night, and eight planes flew missions against shipping. During the night of 23 Dec. fifty eight enemy planes raided the Reich; six of these raided the area Borkum-Sylt-Kiel Bay. For data on air raids over Brest see Situation West Area. No important damage was caused by enemy air activity over the Dunkirk-Calais area.

2. Mediterranean Theater:

For observations by air reconnaissance see Situation Mediterranean.

3. Eastern Front:

Nothing to report.

VIII. Warfare in the Mediterranean1. Enemy Situation:

No reports on enemy movements were received from the western, central, or eastern Mediterranean. According to a report from an Italian agent, British losses in the Mediterranean during the past week are as follows:

Sunk: Two cruisers, one destroyer, and one submarine.

Damaged: Two cruisers. One of these, damaged by aerial torpedoes, arrived at Alexandria from Malta. The other damaged cruiser is also at Alexandria.

2. Situation Italy:

Nothing to report.

3. Transport of Supplies to North Africa:

Four transport submarines are en route to Bardia. Two destroyers are scheduled to arrive at Tripoli the morning of 24 Dec.. Three more destroyers with German and Italian troops will leave Augusta for North Africa the evening of 23 Dec.. Four naval barges are to leave Palermo for Tripoli. According to a report from the Commanding Officer, Supply and Transports, North Africa, enemy interference must be expected along the route from Benghazi to Agedabia. Tank lighter GIORGIO is lying in readiness for blocking the entrance to Benghazi harbor. The moles are to be blasted on 23 Dec. after the last casualties have been loaded aboard the hospital ship TOSCANA (see Radiogram 1400).

4. Area Naval Group South:

Nothing to report.

5. Situation France:

Concerning the defense of Corsica, the French Delegation has asked the Italian Armistice Commission for permission to take appropriate measures. The Italian Navy considers a British-De Gaullist attack on the island unlikely at this time and is of the opinion that the French request should not be granted. The Italian Navy is particularly opposed to measures by the French involving the use of surface vessels, submarines, and aircraft carriers, since this might lead to confusion with Axis vessels. The Italian Navy requests an opinion from the Naval Staff. For details see the teletype from the German Naval Command, Italy as per 1/Sk1 29727/41 Gkdos. in War Diary, Part C, Vol. XVI.

IX. Situation East Asia1. Enemy Situation:

For a description of the Burma Road including a map, see

News Analysis No. 47 of the report series "Foreign Navies" published by the Naval Intelligence Division. U.S. Headquarters at Manila reports a Japanese landing with eighty transports under strong naval escort in Lingayen Gulf (Luzon). Landing attempts were repulsed at several places. According to press reports, numerous reinforcements of troops and planes arrived at Rangoon. An Italian press report states that the U.S. and Soviet Russia are making joint war preparations in Siberia, the Aleutians, and Kamchatka. Air bases are said to be under construction on Kamchatka. On 22 Dec. the Admiral, Colombo (Ceylon) issued a warning that a submarine is south-east off Trincomalee.

2. Situation Japan:

According to a report from the military attache at Bangkok, the Japanese forces on Luzon reached Tagudin from the north and Naga from the east. Domei reports that Davao was occupied. According to radio Bangkok, Japanese planes raided Kuala Lumpur, seat of the Government of the Federated Malay States. The Japanese report a further landing on Luzon without giving details (see enemy situation). See News Analysis No. 47 of the report series "Foreign Navies" published by the Naval Intelligence Division for a list of Japanese defense zones, accompanied by a map, as per information from the Japanese Navy Department.

X. Army Situation

1. Russian Front:

Southern Army Group:

A regrouping of our troops took place in the Crimea in order to prepare an attack on Sevastopol from the north. There was heavy enemy artillery fire, also from the sea, against our positions near Balaklava and on Kerch. The situation remains unchanged on the sectors of the 1st Panzer Army, the 17th and the 6th Armies.

Central Army Group:

The 2nd Army was able to maintain its position. Enemy penetrations near Kaluga and Aleksin on the 4th Army sector were blocked.

Northern Army Group:

An enemy penetration occurred in the 50th Army Corps sector. Otherwise no change in the situation.

2. Finnish and Norwegian Front:

Enemy attacks on the Svir sector and on positions of Mountain Corps, Norway were repulsed.

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3. North Africa:

The route from Benghazi to Agedabia was kept open by counterattacks of the German Afrika Korps. The harbor of Benghazi was demolished. See War Diary Files "Barbarossa" for an official statement on the situation on the Eastern Front. The Armed Forces High Command, Operations Staff, National Defense supplied this statement at the request of the Foreign Office.

24 Dec. 1941

Items of Political Importance

Great Britain and U.S.A.:

Foreign press reports state that far-reaching agreements concerning the Allied Military High Command have already been reached at the conferences in Washington. According to these reports the High Command in the Pacific is to be American. General Douglas MacArthur, the present Commander in Chief in the Philippines, will command ground troops and Admiral King will command the Navy. The British are to have over-all command over naval and air forces in the Atlantic. In the European theater of war the Russians would play the most important part, while the Middle East and North Africa come under the authority of British and Empire forces.

Churchill declared during a press conference that Singapore would be defended until the Allies launch an offensive in East Asia. For further details see Political Review No. 302, Paragraph 3b.

With the consent of the Canadian War Cabinet, Roosevelt announced the text of the resolution of the U.S.-Canadian joint War Production Committee. This committee will work for maximum war production through cooperation between the two countries. For the text of the resolution see Political Review No. 302, Paragraph 3e.

The U.S. Government intends to send an envoy to the Vatican. The latest war news from East Asia has caused an unprecedented sale of securities on the New York stock market.

Conference on the Situation with the Chief, Naval Staff.

No special reports or decisions.

Special Items:

Concerning the Japanese proposal for creation of a border line in 70° (see War Diary 17 and 19 Dec.), the Armed Forces High Command shares the objections raised by the Naval Staff and agrees with its counterproposal. However, from a military viewpoint the matter is not considered so important as to justify the risk of complications and delays in the conferences should the Japanese object to any changes in their proposal.

According to a report by the Commander in Chief, Air to the Armed Forces High Command, it will be impossible to establish military air communications between either Germany or Italy and Japan during the next few years. Neither the plans now available nor those

in the blueprint stage have a sufficiently long range. For the teletype from the Armed Forces High Command, see War Diary, Part C, Vol. XV (1/Sk1 29735/41 Gkdos.).

Situation 24 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

The BIRMINGHAM departed from Montevideo on 23 Dec.. On 12 Dec. the auxiliary cruiser WOLFE inquired from the Allied Chief, South Atlantic whether the German steamer WARTENFELS and the submarines attached to it could have changed course. On 20 Dec. the WOLFE was at sea south of St. Helena and the BULOLO between 20° and 30° S, 30° W and the coast of South America. On 24 Dec. the Admiral, Colombo requested an unknown British steamer to rescind her report concerning the vicinity of an enemy naval vessel. Original circumstances are unknown.

2. Own Situation:

The commander, five officers, and eighty four men of ship "16" arrived in St. Nazaire at noon aboard submarines U "68" and U "A". Thus the first group has successfully completed the eventful homeward journey.

The reasons and events leading to the loss of ship "16" and the PYTHON have not yet been fully explained. It may be assumed certain that the enemy received information through agents that submarine supply ships departed from western France. The appearance of submarines west of Freetown, off the Ivory Coast, and between St. Helena and Angola indicated to the enemy that German supply ships must be operating in the Central and South Atlantic. Therefore the enemy established patrols. On the basis of information gathered by the radio communication intercept service, these patrols were found to be concentrating along the line Pernambuco, Freetown, and northwest of St. Paul.

The Naval Staff so far believes it unlikely that the meeting of our ships with enemy forces was merely coincidental, since the pattern of events was the same as when the ESSO and the EGERLAND were lost. Then too our ships encountered heavy enemy cruisers shortly after the prearranged time and at the precise point of rendezvous. It cannot be assumed that the enemy was able to break our codes, since the execution of numerous other operations gives no reasons for such a supposition. In the opinion of the Naval Staff, Submarine Division our codes are safe. Conspicuous are recurring losses of ships while cooperating with submarines. This might be explained by special concentration of enemy intelligence on submarine warfare. The preceding analysis is made available

to ship "10" with the remark that the basic view on the situation and the possibilities for operations in the Atlantic remains unchanged in spite of the losses sustained. The return of ship "45" which proceeded according to plan; the arrival of the prizes SILVAPLANA and KOTA NOPAN as well as of the BURGENLAND; and the successful departure of the RIO GRANDE and PORTLAND justify this opinion. The change made in Paragraph G⁴ of the operations plan is explained by the fact that no more ships are at sea, and that the only available merchant raider, ship "10", should make its appearance in the designated area as quickly as possible (see communication 1815).

In accord with the proposal made by "Etappe Japan" (German Naval Intelligence Organization in Japan, -Tr.N.), motor ship PORTLAND is directed by Radiogram 0107 to destroy all SEATTLE papers and to make herself known to the Japanese only as the PORTLAND. Radiogram 1614 subsequently directs the PORTLAND to relinquish neither papers nor cargo to the Japanese when in port, unless ordered to do so by the German Naval Attache. Report on the Enemy Situation by Radiogram 1212.

II. Situation West Area

1. Enemy Situation:

According to radio monitoring, at 1025 a British plane unsuccessfully attacked a tanker 12 miles north of Cape Ortegal. At 1320, four planes received orders to attack a tanker lying at anchor off Cape Ortegal. At 1540 a British plane reported having scored a probable torpedo hit on the tanker. Further air raids on the tanker followed at 1651.

2. Own Situation:

Atlantic Coast:

During enemy air activity over Brest between 1022 and 1050 a plane contacted a balloon wire but did not crash. According to a report from the Brest shipyard, it is estimated that it will take four weeks for dock repairs before the SCHARNHORST can be undocked (see Radiogram 1434).

Thereby enemy action has once again caused a very regrettable delay in operations to make this vessel fit for action.

According to a report at 2215 from the Naval Attache at Madrid, the tanker BENNO was unsuccessfully attacked by British planes off Ferrol at 0930 Spanish time, while proceeding close to shore. The BENNO entered the Ria del Ferrol and anchored in Corunna Bay where she was again attacked by British planes in the afternoon and sunk. The attacks continued even after the ship had sunk, apparently because the condition of the ship could not be clearly determined from the air on account of the shallow water (see Radiogram 2215). The

vessel had anchored approximately 500 meters off the coast, i.e., irrefutably within Spanish territorial waters.

The ruthless British methods thus finally succeeded, as in the case of the ALTMARK, in sinking this ship which was so valuable to us. Further details are not yet available.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to radio monitoring, the following British vessels were located in the area of northern Scotland and Iceland on 22 Dec.: KING GEORGE V, DUKE OF YORK, RESOLUTION, RODNEY, RENOWN, VICTORIOUS, ILLUSTRIOUS, KENT, BERWICK, NORFOLK, NIGERIA, UGANDA, SHEFFIELD, TRINIDAD, SUFFOLK, KENYA, CARDIFF, CAIRO, CURACAO, CUMBERLAND, HAWKINS, as well as the NELSON, which is undergoing repairs.

Own Situation:

Slight damage and small loss of personnel was sustained during an enemy air raid on one of our convoys proceeding in a westerly direction. The attacking planes bore German markings.

2. Norway:

Enemy Situation:

Nothing to report.

Own Situation:

The signal station at Honningsvaag is in operation again. One British torpedo was salvaged. On 23 Dec. an explosive cutter exploded aboard minesweeper "1508" while the gear was being brought in. One man was killed and six were seriously injured. Enemy planes unsuccessfully attacked a convoy near Feistein. Battery "Vigdal" shot down an enemy plane.

See War Diary, Part C, Vol. IIa for the negative opinion from the Naval Staff, Quartermaster Division, Plans and Schedules Branch concerning the statement made by the Commanding General, Armed Forces, Norway on 7 Nov.. At that time the latter asserted that the coastal defense against enemy landings in Norway is not fool-proof in view of a shortage of artillery weapons and inadequate command organization. He proposed transferring the coastal defense of Norway to the Armed Forces, thus making the Commander, Armed Forces, Norway directly responsible for it. Entry in the War Diary as per Skl Qu. AII 2481/41 Gkdos.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Nothing to report.

V. Submarine Warfare1. Enemy Situation:

Lively air activity throughout the entire rendezvous area and the Bay of Biscay.

Radio monitoring intercepted a message from an unknown British vessel concerning an air raid at 1120 and shortly thereafter an urgent operational radiogram from the same vessel. The location of the vessel was not determined. According to radio monitoring, convoy UR 1, which has not appeared on the scene so far, presumably left the Clyde bound for Reykjavik. The Dutch steamer BINTANG sent an SOS from about 100 miles south of Newfoundland.

2. Own Situation:

A submarine in the eastern Mediterranean scored a probable hit on a steamer. Another submarine sank a one-stack destroyer. For a detailed situation report see War Diary, Part B, Vol. IV.

For a detailed opinion from the Naval Staff to the Commanding Admiral, Submarines concerning submarine operations in the Atlantic see War Diary, Part C, Vol. IV. Entry in the diary as per 1/Skl I op 2190/41 Gkdos. Chefs.

VI. Aerial Warfare:

No reports have been received.

VII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

According to a report from an Italian agent, the Polish transport BATTERY arrived at Gibraltar on 23 Dec. with 3,500 troops aboard. The troops remained aboard. The transport is expected to proceed in a westerly direction.

Central and Eastern Mediterranean:

In the afternoon of 23 Dec. the Italian submarine TURCHESE sighted two cruisers and four destroyers on southwesterly course.

north of Cape Bugarun, Algeria. During the evening a cruiser of the Mediterranean Fleet was located 60 miles off Tobruk. Air reconnaissance over Malta on 24 Dec. revealed no change in the number of ships lying in the harbor. At the same time, air reconnaissance located five vessels, probably one or two cruisers and destroyers, 15 miles south of Malta on a northerly course. These were presumably the same vessels which the TURCHESE had reported on 23 Dec.. German air reconnaissance reported a coastal patrol vessel 15 miles off Derna, and 20 miles south of Cape Martello, Crete, an unknown vessel on course 210°. In the area off Alexandria, radio monitoring located a presumably damaged British vessel during the evening of 23 Dec.. This vessel was joined by another vessel. During the morning of 24 Dec. radio monitoring intercepted a message from a vessel approximately 40 miles northwest of Alexandria. The vessel had a leak in the engine room and was urgently requesting the assistance of a tugboat.

2. Own Situation:

At 0800 the 3rd PT Flotilla returned to its base harbor from a mission. No report of success.

3. Situation Italy:

At 1900 on 23 Dec. the torpedo boat CALLIOPE was the last Italian vessel to leave Benghazi bound for Tripoli. Aboard her were the Commanding General and the Naval Commander of the fortress.

In principle the Naval Staff agrees with the Commanding Admiral, German Naval Command, Italy concerning the question of decorating top personalities of the Italian Navy with the Iron Cross in recognition of the successful transfer of Transport Squadron 52 to Tripoli and Benghazi. However, the Naval Staff does not consider such action opportune at the present time in view of the situation in Africa, and plans to award the decorations on the occasion of the meeting between the Commander in Chief, Navy and Admiral Riccardi in January. The German Naval Command, Italy has been asked for an expression of opinion and for detailed information concerning corresponding awards of decorations in the Army and the Air Force (see Radiogram 1500).

4. Transport of Supplies to North Africa:

Operations of merchant raiders and submarines were carried out according to plan. Hospital ship TOSCANA arrived at Benghazi at noon 23 Dec.. According to a report from the Commanding Officer, Supply and Transports, North Africa the daily unloading capacity of the ports in the Gulf of Sidra is approximately as follows, depending somewhat on weather conditions:

In Ras el Aali	up to 350 tons
In Marsa el Auegia	up to 120 tons
In Sirte	up to 300 tons
In Buerat el Hsur.	up to 400 tons

For details see Radiogram 1936.

5. Area Naval Group South:Aegean Sea:

Concerning the installation of an Italian Naval Command at Suda, the Naval Staff answers the request from the Liaison Staff of the Italian Navy at the German Naval Staff (see War Diary 20 Dec.) by referring to the development of the situation in the Mediterranean, which must have made the Italian request meaningless. See War Diary, Part C, Vol. XIII for the corresponding message 1/Skl I op 29747/41 Gkdos.

Black Sea:Enemy Situation:

Increased activity of Russian vessels near Sevastopol and lively artillery activity in Kerch Strait.

Own Situation:

According to a report from the Port Command, Odessa the harbor will be ready to berth one to three steamers by New Year.

6. Situation France:

On the basis of a guarantee given by the U.S., at the same time in the name of the British Government as well, the Armistice Commission has granted permission for the re-establishment of shipping between the Antilles, French Guiana, and the U.S.A. as well as between North Africa and the U.S.A. (see Radiogram 1431). According to a very confidential report from the French Delegation to the Armistice Commission the dispatch vessel D'YBERVILLE and the submarine GLORIEUX left Diego Suarez on 18 Dec. bound for Jibuti in order to supply the colony in secret (see Radiogram 1200).

VIII. Situation East Asia1. Enemy Situation:

A Japanese submarine sank the U.S. steamer SAMOA and the tanker MONTEBELLO off the California Coast. According to a report from the U.S. War Department, heavy fighting continues in the vicinity of Lingayen Gulf. Japanese destroyers were repulsed by coastal artillery near Damortis. According to a report from the U.S. Navy Department, the Japanese occupied Wake Island on the morning of 23 Dec.. The only vessel captured in the process was the steamer PRESIDENT HARRISON. At noon 23 Dec. communication between Hong Kong and the British Embassy at Chungking was still intact and reported that British PT boats sank two Japanese vessels on 22 Dec.. Dutch East Indies planes reported a successful raid on enemy vessels off Davao during the morning of 23 Dec.. Radio station Schenectady reported the sinking of a Russian vessel by Japanese vessels in the Sea of Japan on 22 Dec.

2. Situation Japan:

No new reports.

IX. Army Situation

1. Russian Front:

Southern Army Group:

The northern part of the fortress area Sevastopol was captured in heavy fighting. The situation remains unchanged on the sectors of the 1st Panzer Army and the 17th and 6th Army. Local attacks were repulsed.

Central Army Group:

All enemy attacks on the 2nd Army could be repulsed. At the 2nd Panzer Army sector the XLVII and LIII Army Corps withdrew to a line running approximately from Chern to Byelev. Additional enemy columns are reported on the march from Tula. On the 4th Army sector the Russians occupied Peremyshl (south of Kaluga). Russian attempts to cross the Oka were unsuccessful. On other parts of the 4th Army sector and on the 9th Army sector we maintained our positions.

Northern Army Group:

Very heavy enemy attacks were repulsed on the Volkhov and Leningrad fronts.

2. Finnish and Norwegian Front:

Local fighting on some front sectors without special significance.

3. North Africa:

Guarded by the German Afrika Korps, the withdrawal of the Italian Divisions from the Benghazi area to the Agedabia positions was concluded according to plan. Benghazi was occupied by the enemy without a fight.

25 Dec. 1941

No Items of Political Importance have been received.

Situation 25 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

British steamer ANDALUSIAN STAR (14,943 BRT) departed from Trinidad on 22 Dec. bound for England. On 27 Dec. (? - Tr.N.) escort ship NASTURTIUM left Halifax, destination unknown.

South Atlantic:

On 18 Dec. radio monitoring located the BIRMINGHAM around 30° S 34° W. At the same time, another vessel was escorting a steamer in position 04° N 00° W (message garbled), course 62°, speed 12 knots. On 23 Dec. auxiliary cruiser EDINBURGH CASTLE was in the Freetown area, and auxiliary cruiser DUNNOTTAR CASTLE in the Simonstown area.

Portuguese authorities state that the U.S. have decided to transfer their Atlantic Fleet into the Pacific.

2. Own Situation:

A reply was sent to ship "10" via Radiogram 1441 in answer to the request for information concerning the Portuguese steamer S. THOME (Lisbon).

II. Situation West Area

1. Enemy Situation:

No reports.

2. Own Situation:

Atlantic Coast:

Mines are suspected off Lorient. The Naval Staff will attempt to utilize intelligence channels to supply the enemy communication service with misleading information concerning additional damage sustained by the ships at Brest during the enemy air raid on 18 Dec.. Radiogram 1600 notifies Group West; Admiral, France; and Commanding Admiral, Battleships.

According to a report from the Naval Attache, Madrid, the tanker BENNO was not sunk in Corunna Bay off El Ferrol, but at Carino near Vivero. The attack took place right in the Spanish harbor by means of bombs and presumably one torpedo. The British machine-gunned survivors in the lifeboats. Luckily only one was killed. The crew is in the process of salvaging as much from the ship as possible. The Naval Attache suggests press propaganda similar to that in the ALTMARK case. The non-military character of the ship is being stressed to the Spaniards. The captain is returning immediately to France by way of Madrid, the crew will follow as soon as possible. The Naval Staff agrees with the measures and suggestions of the Attache.

See Radiogram 1528 for a report on the foregoing from the Naval Staff to the Fuehrer and for notification of Armed Forces High Command and Foreign Office.

According to a further report from the Naval Attache, Madrid, raids on our ships based at Vigo (supply base "Bernardo") must be reckoned with. There are no Spanish anti-aircraft facilities in Vigo.

Group West reports a temporary postponement in the second departure of ship "10".

The Commander, Air, Atlantic Coast reports an attack on an enemy destroyer in quadrant BF 7695, headed toward the location of the BENNO (compare War Diary 24 Dec.). The destroyer was probably damaged.

Channel Coast:

Battery "Grosser Kurfuerst" fired twenty rounds on a convoy near Dover on 24 Dec. from 2110 to 2137. The convoy was located 28 miles off the coast. Results were not observed. Nothing to report for 25 Dec.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to radio monitoring, two convoys off Flamborough Head and Aberdeen respectively, were attacked by planes. Several reports of ship casualties in the area northeast of Orfordness were received. Damage caused was probably due to mines laid by our PT boats.

Own Situation:

No convoy or minesweeping activity because of bad weather conditions. In the Norderney area a low-flying enemy plane was shot at and hits were observed.

2. Norway:

According to a cable from the Finnish envoy to Washington, diplomats claim that a British-American-Norwegian landing in northern Norway is being prepared. The Naval Staff notifies Group North and the Admiral, Norway with the following comment: "The Naval Staff believes such a plan unlikely." (See Radiogram 1919.) A copy of the message is sent to Admiral, Arctic Ocean.

A landing operation complementing and taking advantage of present Russian successes in the east, is, of course, not out of the question. The idea of severely hampering our operations in the Arctic Ocean and drawing more German troops from the Eastern Front by such a landing must tempt the enemy very much. A large-scale operation would at present, however, make somewhat too great demands on the enemy in regard to troops, planes, and shipping space. The enemy plans, therefore, are probably limited only to a local invasion for the purpose of obtaining a foothold in northern Norway.

Own Situation:

The Armed Forces High Command, Operations Staff, National Defense also has gathered information from various sources and instructs Commander in Chief, Army; Commander in Chief, Navy; Commander in Chief, Air; and Commanding General, Norwegian Theater as follows:

"Information from various sources indicates the possibility that Great Britain and the U.S. are preparing a large-scale operation in the Scandinavian area. If this is the case, it is most likely that the enemy will attempt to get a foothold in northern Norway. His purpose will be to cut the supply route of our forces on the polar coast by disrupting our sea communications and highway 50, or at least to divert German forces from the Russian Front in Northern and Central Finland. The starting point for such an operation could lie in the Varanger Fjord-Alta Fjord sector. This area is more vulnerable than Petsamo and Kirkenes, or even the Narvik area. Enemy occupation of this area would greatly increase enemy prestige in the Scandinavian countries and would endanger the iron and nickel deposits. The Commander, Armed Forces, Norway is ordered to recheck the defense readiness of the entire Norwegian area in cooperation with the Navy and Air Force. He is to report on the following points:

"a. Whether available ammunition and equipment are adequate to ward off a large-scale operation.

"b. What additional measures, which could become effective shortly, are planned for northern Norway.

"It must be taken into consideration that no large deliveries of any kind from Germany can be envisaged for the time being. The Commanding General, Norway is therefore ordered to form a Panzer unit about one regiment strong out of his own resources to be used

as reserves. The tanks for this unit and some personnel are to be brought up from Germany."

Group North; Admiral, Norway; Admiral, Arctic Ocean; Admiral, Polar Coast; and Admiral, North Norwegian Coast received copies of the above.

Submarines U "134", U "454", and U "584" have departed for operations. Otherwise nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Norwegian steamer P.G. HALLORSEN was sunk by a mine southwest of Goeteborg off the prescribed route.

Patrol service in the Skagerrak was limited because of weather conditions. Otherwise nothing to report.

V. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity in the southern rendezvous area. An airplane reported a suspicious oil spot west of the Scilly Islands. CUMBERLAND requested on 12 Dec. that the net at Reykjavik be opened to permit her entrance into the harbor. Swedish motor ship SHANTUNG sent an SOS from a position about 300 miles south of Iceland. The ship is being abandoned for unknown reason.

2. Own Situation:

Report in War Diary, Part B, Vol. IV.

The Naval Attache at Madrid reports that on 24 Dec. at noon a British protest was handed to the Spanish Navy Department, concerning the fact that German submarines are getting supplies at Vigo. The British Naval Attache explained on this occasion that survivors of a German submarine at Gibraltar had carelessly revealed certain bits of information concerning supply operations at Vigo, such as the fact that submarines enter the harbor under electric motors and come alongside the BESSEL. So far the Attache has been informed only confidentially by a personal acquaintance. (See Radiogram 1658.)

This excessive garrulity will have serious consequences from two points of views. First, the supply operation "Bernardo" will have to cease for a comparatively long time, and the ships there will be endangered. Secondly, the legal position in the case of BENNO will be altered to the advantage of the British.

The order issued by the Commanding Admiral, Submarines supplementary to operation order Atlantic No. 46 concerning the sudden appearance of German submarines in the American safety zone (operation known as "Paukenschlag") indicates that submarines U "502", U "125", U "109", U "123", U "66", and U "130" are proceeding separately in two groups, the first three boats as Group "Bleichrodt", the remaining ones as Group "Hardegen". They are proceeding to 60° W and 45° W respectively, and thereafter will simultaneously go to their assigned attack areas.

War Diary, Part C, Vol. IV contains an analysis by the Commanding Admiral, Submarines concerning submarine operations in the area west of Gibraltar in view of the concentration there of enemy defense forces from the Atlantic, which is now free from submarines. The suggestion is also made that the eight boats in question be used in the Azores area with the permission of the Naval Staff, Operations Division, as per 1/Skl I op 2183/41 op Gkdos. Chefs.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report during the day. During the night of 25 Dec., twenty-five airplanes were sent out to mine the Thames, ten to attack shipping targets. A steamer (3,000 BRT) was sunk off Flamborough Head; east of Hartlepool a steamer (6,000 BRT) was heavily damaged. A northbound convoy was attacked in the outer Firth of Forth and one steamer (3,000 BRT) was damaged. Two further steamers of 3,000 BRT and 5,000 BRT were damaged north of Fife Ness.

2. Mediterranean Area:

Thirteen Junker 88's laid mines in the harbor and approaches of Benghazi, simultaneously staging nuisance raids on targets ashore.

3. Eastern Front:

Light activity by our forces in support of the Army.

4. Items of Special Importance:

The testing of Japanese aerial torpedoes (German designation LT 850) has begun at Travemuende Proving Grounds. According to the Air Ministry, operational use will probably not follow because the number available is too small.

See Radiogram 1451 for information to this effect to the Naval Liaison Officer at Fuehrer Headquarters, Captain von Puttkamer.

VII. Warfare in the Mediterranean

1. Enemy Situation:

One cruiser and four destroyers came into Valetta on 24 Dec.. At Malta there were five air raid alarms between 2000 and 0117 during the night of 24 Dec.. At noon of 24 Dec. Alexandria rebroadcast an SOS from the Greek steamer MEKAS (1,753 BRT) which was being attacked by a plane and requested an escort. Radio monitoring located vessels of the 7th Cruiser Division and of the Coastal Squadron in the Marmarica Coast area.

An Italian report states that two British seamen were rescued from a life raft near Misurata by Italian torpedo boat CALLIOPE on 24 Dec.. They were from the cruiser NEPTUNE which was sunk by a torpedo attack on 19 Dec. while en route from Malta to Alexandria. According to a further Italian report, a strong contingent of De Gaullist troops was transferred from Haifa to the Libyan front on 16 Dec.. No change in the enemy situation on 25 Dec.

2. Situation Italy:

Nothing to report.

3. Transport of Supplies to North Africa:

Supplies and reinforcements by submarines and destroyers executed according to plan. Naval barge "150" destroyed near Sol-lum by enemy artillery. Porto Flutto mole in Benghazi was blown up after departure of the hospital ship TOSCANA and torpedo boat CALLIOPE.. Net barrages were sunk by gunfire.

Armed Forces High Command, Operations Staff, National Defense issues the following directive concerning supply traffic to North Africa and Crete:

"The most important task of the German and Italian Armed Forces is to support supply operations and to bring up reinforcements for our forces fighting in North Africa. Since transport and supply traffic to Crete also continues to be very important, it is urgently requested that shipping space and escort forces be made available at the earliest opportunity. The German General at Headquarters, Italian Armed Forces is therefore asked to investigate in cooperation with the Commanding General, Armed Forces, South and the Commanding General, Armed Forces, Balkans when and to what extent shipping space and escort forces from the Aegean area can be diverted in order to recommence shipments to Crete on an increased scale. The results are to be reported." (See Radiogram 1921.)

4. Area Naval Group South:Aegean Sea:

According to a report from German Naval Command, Italy, Commanding General, South made the following statement to the Commander, Armed Forces, Balkans:

"In view of the over-all situation in the Mediterranean area, Crete takes a position secondary to that of the present main

theater of operations. Concentration of the naval forces is urgently necessary. However, the defense of the Aegean Sea will be made more effective than heretofore by means of pursuit and reconnaissance planes."

The Admiral, Aegean Sea sends the following situation analysis to the Commanding General, Armed Forces, Balkans and Group South (copies are sent to German Naval Command, Italy and X Air Corps):

"1. The movement of the African front to the west causes German airports and naval bases to fall into enemy hands. Thereby, the enemy moves considerably closer to Crete and Southern Greece. This may well make it more difficult to patrol the area between Crete and Africa and to fight enemy naval forces in that area.

"2. Air base Crete increases in importance and at the same time is exposed to greater danger. Enemy surface forces are more likely to make their appearance north of Crete, and submarine activity may increase.

"3. Up to now it has been impossible to stock up supplies of arms, fuel, and provisions in Crete. It takes several months to transport occupation troops there. The situation cannot be expected to improve with present transport facilities and escort forces. On the contrary, we have to expect that the supply and transport situation will become even more acute.

"4. It is therefore necessary to take immediate large-scale measures to transport troops and stock up arms in a hurry.

"5. A temporary assignment of six Italian destroyers to carry troops, twelve vessels suited as convoy escorts, and six fast freighters is necessary. Air cover would have to be increased proportionately.

"6. The operation can be undertaken only if Supermarina, Rome makes available the fuel oil and coal for these vessels and naval forces. At this time, the fuel oil situation here is acute.

"7. Furthermore it would be wise to consider whether some of the troops could be transported there by plane.

"8. If this analysis of the situation is correct, it is temporarily necessary to concentrate our efforts on supply shipments to Crete instead of to Africa. Hereabouts it is believed that measures must be put into effect immediately in order to benefit from a possible lull in the fighting while the enemy is regrouping his forces for a new objective."

Group South agrees with the various points of this analysis, but does not believe at this time that the recapture of Crete is an immediate British aim. It is, however, of the opinion that the operations in regard to Crete should be commenced as soon as the

situation in Tripoli permits a withdrawal of Italian transport and escort vessels to the Aegean Sea, if only for a short time. This is necessary since it will become impossible to continue the shipment of supplies to the poorly supplied island as soon as the British launch an attack on Crete.

The Naval Staff fully agrees with the analysis submitted by the Operations Staff responsible for the Crete area. However, it does not consider itself in a position to make decisions in the matter, as requested by Group South, as long as every effort is to be directed toward shipping all available forces and materiel to Tripoli. Quite aside from this, it is definitely the responsibility of the respective Commander, Armed Forces to determine where the main emphasis in supply operations should be put at any time.

The Commanding General, Armed Forces, Balkans issues the following directive to General Plenipotentiary, Serbia; Commanding General, Southern Greece; Commander, Fortification Crete; with copies to Commanding General, South; X Air Corps, and Group South:

"The development of the situation in Africa, transport concentrations in Gibraltar and British home waters, and our own reverses necessitate a check on preparedness for battle in all areas. If necessary, forces should be equalized within individual areas. No recall from leave. Transport of the 164th Division to Crete remains top priority. The "Siena" squadron should attempt to make three trips every two weeks."

The Commanding General, Armed Forces, Balkans intends to call a conference of commanding generals and admirals in the beginning of January at Headquarters, Commanding General, Armed Forces, Balkans. All questions concerning preparedness will be discussed. Group South and X Air Corps are requested to participate in the conference.

At this conference, the Commanding Admiral, Group South will have the opportunity to see to it that the above points, regarding the endangered situation of supplies and transports to Crete, are given full consideration.

Black Sea:

Nothing to report.

VIII. Situation East Asia:

Nothing to report.

IX. Army Situation1. Russian Front:Southern Army Group:

Fighting continues around Sevastopol, near Belbek and Lyubimovka. A strong enemy attack, in part still continuing, was launched on the northern flank of the 1st Panzer Army against the entire front of the Italian Division Celere. Enemy attacks were repulsed on the 17th Army sector. Three armored trains were reported near Debaltsevo, but no damage could be inflicted with available weapons.

Central Army Group:

The enemy, supported by medium-heavy and heavy tanks, broke through the 2nd Army sector near Kolodes and Petrovskoye. The 156th Rifle Regiment, fighting to the end, was wiped out. There are no more German troops ahead of the break-through. In the 2nd Panzer Army sector, the XLVII Army Corps has withdrawn to the Shushmina-Lobanovo-Skertova Line, and the LIII Army Corps to the western bank of the Oka. There are not sufficient troops to regain the ground lost.

In the 4th Army sector, the enemy west of Kaluga is advancing north over the Oka. Strong enemy attacks along the whole front of the XIII, XII, LVII, and XX Army Corps were repulsed. Also in the 3rd Panzer Group area heavy enemy attacks had to be repulsed by the VII, IX, and XLVI Army Corps.

Northern Army Group:

Enemy attacks across Lake Ilmen at the XXXIX and I Army Corps sectors were unsuccessful. The 21st, 11th, and 254th Infantry Divisions withdrew to new positions according to plan. The enemy was repulsed in attacks on Maluksa and the Leningrad front.

2. Finnish and Norwegian Front:

Local activity only.

3. North Africa:

The enemy reconnoitered the Agedabia positions. Starting out the evening of 24 Dec., Group Cruewell reached the area south of Agedabia the afternoon of 26 Dec. (must be 25 Dec., Tr.N.), having quickly broken enemy resistance north of the town.

German Naval Command, Italy reported on 24 Dec. the following teletype received from the German General at Headquarters, Italian Armed Forces:

"1. General Rommel has requested that General Cavallero and the Duce be notified of the following:

"a. In view of the condition of our troops and the acute fuel situation, our front is too long. Therefore it is

doubtful whether an attack launched by the enemy for the purpose of forcing a decision in the Agedabia area could successfully be repulsed. If German and Italian troops are annihilated in the unfavorably situated Agedabia position, the Duce's order to hold Tripolitania to the last cannot be carried out. The Panzer Group is therefore forced to fight a retreating action in the Agedabia position, and to withdraw the mass of troops into a considerably more favorable area south of Arco dei Filieni (west of El Agheila). If it is possible to reorganize the Italian units soon, and to build up their fighting strength, the enemy will ultimately be brought to a stop in this position.

"b. The Bardia and Sollum fronts cannot be relieved in the near future, nor can the troops there be evacuated. The length of time they can hold out depends on the supplies at hand and on the strength of the fortification, which has its limits, after all. General Rommel has therefore ordered Generals Schmidt and de Georgis to continue resistance, but he has also empowered them to surrender honorably if they consider that further resistance is useless after all ammunition and supplies are exhausted. The vain sacrifice of approximately 15,000 German and Italian soldiers cannot be justified.

"2. The Duce has thereupon issued the following order to the Italian High Command in North Africa and empowered me to inform the Panzer Group directly:

"concerning (a): The plans of the Panzer Group are approved. However, the great importance of Marada Oasis for the new position is pointed out. Marada must be held as a cover for the southern flank and as an initial position for an offensive defense against enemy attempts at encirclement.

"concerning (b): It will be possible to continue resistance on the Bardia and Sollum fronts, since provisions and arms will be supplied from Italy. The Duce places great value on holding this front as long as possible."

26 Dec. 1941

Items of Political Importance

France:

The occupation of the two Newfoundland islands St. Pierre and Miquelon, executed on 25 Dec. by De Gaullist naval forces under the command of Admiral Muselier, apparently took place without previous agreement with Great Britain, Canada, and the U.S.. According to Reuter, the U.S. State Department considers this action arbitrary and contrary to the wishes of all interested parties. Official French circles are pleased with that interpretation.

Turkey:

According to a confidential report from the Turkish envoy to Prime Minister Antonescu, the Turkish President declared a month ago that Turkey's entry into the war on the Russian side is completely unpopular. In principle, Turkey is on the side of Germany in the Eastern Campaign, but the situation in the Black Sea is not yet clear, and the situation in the Mediterranean gives Turkey as yet no freedom of action.

U.S.A.:

Churchill's speech before the U.S. Congress stressed that it was lucky for England that Germany did not immediately invade the British Isles in the summer of 1940 with Japan entering the war at the same time. The end of 1942 will find the Anglo-Saxons in a much better position than today, and in 1943 they will be able to take the initiative on a larger scale. For a detailed extract of the speech, see Political Review No. 303, Paragraph 3.

China:

General Wavell arrived in Chungking on 22 Dec. for a conference with Chiang Kai Shek.

Special Items:

The situation report on war industries for the month of November by the Armed Forces High Command, War Economy and Armaments Division revealed that already, because of raw materials alone, it was quite impossible to fill the needs of even the top priority programs to the extent planned so far. Considerable cuts will therefore have to be effected throughout. Next to the manpower shortage, coal and power supply shortages stepped into the foreground with increasing prominence. There is also the problem of transportation to be faced during the coming winter. Larger-scale inductions into military service have a direct effect on the extent of armament production, because there are no more reserves available.

It is expected that the situation will be relieved by the release of all miners and 20,000 armament technicians from the Eastern Army. Of the 450,000 Russian prisoners of war in Germany, 200,000 have been put to work in agriculture. 250,000 are still physically disabled so that the transfer of French prisoners of war into the armament industries is delayed.

The shortage in shipping space was the salient factor in maritime shipping. The raw material situation is acute, particularly as regards the non-ferrous group. Power supplies had to be curtailed considerably. The problem of nitrogen is gradually becoming one of prime importance to war industry since nitrogen is being used increasingly in armament production. The mineral oil situation is discussed elsewhere.

The food situation is unfavorably affected by the manpower shortage and bad weather. Although it is still bearable in Germany, the situation in Poland, Belgium, and Greece is considered especially bad.

Situation 26 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

Special Items:

Compilation of enemy news received by radio decoding and monitoring up to 21 Dec. 1941 in Radio Intelligence Report No. 51/41 Naval Staff, Communications Division, Radio Intelligence Branch.

North Atlantic:

Nothing to report.

South Atlantic:

American steamer COMMERCIAL TRADER (2,600 BRT) sent the following distress signal 330 miles east of Trinidad: "One enemy naval surface vessel, southerly course, speed 8.5 knots." On 24 and 25 Dec., two destroyers and a corvette on a southerly course were sighted off the Canaries between Cape Juby and Fuerteventura. According to an Italian report, they are waiting for a convoy. A further Italian report states that a U.S. half-flotilla consisting of two light cruisers and four destroyers was lying in Capetown, and that further light U.S. vessels were sighted in the latitude of Mossel Bay.

Indian Ocean:

On 21 Dec. convoy BM 9 put to sea from Bombay bound for Singapore. According to an agent's report from Istanbul, 25,000 men, mostly Indians, were loaded on ships in Basra. To begin with, a total of 100,000 men are to be shipped to Burma, and then 200,000

to Africa, so that only 200,000 men, mostly British and Australian, will then remain in Iraq.

These figures seem to be rather high.

2. Own Situation:

In St. Nazaire an Italian submarine landed one officer from ship "16", and three officers and sixty six men from the PYTHON.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reported two vessels, presumably destroyers, 65 miles north of Brest. In the evening a convoy consisting of thirty steamers was sighted southwest of Milford, heading for port. At noon two cruisers were located off the Scilly Islands on a westerly course.

2. Own Situation:

Atlantic Coast:

Enemy air activity over St. Nazaire, Brest, and Nantes on 25 Dec. is belatedly reported. No bombs were dropped. Repeated alarms between 1030 and 2100. The area off Lorient which has been closed because mines are suspected there, has been extended.

The Commanding Admiral, Battleships, substantiating the report from the Brest shipyard (see War Diary 25 Dec.), indicates that the departure of the SCHARNHORST will be delayed four weeks as a result of the damage to the dock. Battle readiness will be delayed an equivalent length of time since technical training cannot be carried on as it should while the ship is in dry dock. The GNEISENAU remains out of dock and is undergoing overhauling at another pier. (See Radiogram 1830.)

The Naval Attache, Madrid reports that the British Naval Attache handed a written protest to the Spanish Naval Staff at noon of 24 Dec. claiming that three British steamers were sunk within Spanish territorial waters during the last three weeks. They are the GRALHEAD, FJORD, and HELLEN, sunk off Cape Negro on the night of 20 Dec, while en route from Gibraltar to Melilla. Nothing was known about the HELLEN up to now. The Spaniards doubt a violation of territorial waters since no reports to that effect are said to be at hand (see Radiogram 1345).

This step evidently served to establish the legal precedent for the attack on the BENNO.

A further report from the Naval Attache, Madrid states that the Chief of Staff of the Spanish Navy is investigating possibilities

of salvaging the BENNO. The Spanish Navy has sent the tanker PLUTO to take over the remaining cargo from the BENNO. Several Spanish civilians were slightly wounded during the attack on the BENNO. The Spanish press reports only a British report about the sinking of a German auxiliary cruiser in the Bay of Biscay. British radio declares that the sinking took place outside of territorial waters. The Embassy so far has received no instructions to protest. The Attache requests that the fact that the attack occurred on a ship anchored right in the middle of a Spanish harbor be energetically emphasized.

German propaganda is so slow in making itself felt since no newspapers appeared during the first and second Christmas holiday.

The Naval Attache, Madrid reports further that on 24 Dec. the British Naval Attache demanded the withdrawal of German ships from Vigo to Southern France, i.e., out of presumably absolutely undisputed territorial waters, while at the same time the attack on the BENNO was under way. As a condition for continuing shipments of fuel and food to Spain, the enemy is evidently demanding the withdrawal of German tankers, in other words, the right to exercise control over Spanish harbors. It is as yet impossible to predict what the Spanish attitude will be, particularly since the Minister for Foreign Affairs and the German Ambassador will be away until the New Year (see Radiogram 1705).

Ten to twelve men of the BENNO crew are remaining in Carino for salvage work. The remainder will leave 27 to 28 Dec. via Ferrol for France.

Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to radio decoding, on 24 Dec. at 2355 a trawler picked up the survivors of the British steamer MERCHANT (4,615 BRT) which was damaged by a mine off Yarmouth and was to be towed in on 25 Dec.. Minesweeper HENRIETTE sank on 26 Dec. in the Grimsby area. Steamer HULK SUNDERLAND sank off Cromer, time unknown. In the Yarmouth area five mine explosions were reported on the inner convoy route.

Own Situation:

Only a part of the scheduled convoy operations was executed, and minesweeping was interrupted because of bad weather.

2. Norway:Enemy Situation:

A half-submerged submarine was sighted in the mouth of Porsanger Fjord. By means of intercepted submarine radio telephone communications on the morning of 26 Dec., Russian submarines were located near Nordkyn, British submarines near Soroe.

One British cruiser and three destroyers entered Vest Fjord during the morning and landed three boats near Glaapen. According to air reconnaissance which had continuously shadowed this unit since 1214 and which had been successfully repulsed by anti-aircraft fire in attacks on the destroyers, the unit stood east of Moskenesoe at 1440. Radio monitoring reports that convoy PQ 6 is under way, and that PQ 7 will depart in the next few days.

Own Situation:

The vessels which penetrated into the Vest Fjord destroyed telephone communications with Glaapen, captured patrol boat GEIER, and left with it in a westerly direction. A Norwegian freighter was stopped in the middle of Vest Fjord and departed on a southwesterly course, presumably under an enemy prize crew. Another steamer was sighted burning in the Vest Fjord.

At 1206 the 8th Destroyer Flotilla and the 8th PT Flotilla received operational orders in view of the enemy situation. The 8th Destroyer Flotilla was to patrol a strip west of the Lofoten Islands and to operate against the enemy unit. Since the flotilla did not get under way until 1645, it seemed unlikely that contact with the enemy could still be established, and the flotilla was therefore recalled. PT boat "45" sustained damage by scraping bottom and proceeded to Harstad.

Anti-submarine activity off Soroe was interrupted due to bad weather. The eastern exit of Groetsund was closed because mines are suspected there. Steamer KONG DAG was torpedoed at the entrance to Ulfa Fjord. At 1600 a raft with survivors was picked up near Breivik, and at 1900 one boat with soldiers, evidently frozen to death.

The rumors of a Christmas raid on the northern coast of Norway were therefore not entirely unfounded. As far as can be judged at present, today's undertaking does not point to a large-scale operation, however. We must wait for additional reports.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea1. Enemy Situation:

After further interrogation of the captured Russian, Captain Evdekimov, the locations of three Russian mine fields and safety routes in the Hogland-Hangoe area were revealed. The following

ships were ready for action in the middle of November: OKTYABRSKAYA REVOLUTSIA, MAKSIM GORKI, KIROV, mine cruiser URAL, flotilla leader LENINGRAD, five destroyers, one torpedo boat, seventeen minesweepers, one gun boat, five icebreakers, and an unknown number of submarines and PT boats. Nothing definite is known about how they are to be used in the spring of 1942. It is assumed that they will be used for defense against possible German Fleet attacks in the Seiskari latitudes, and as Army support. If Kronstadt and Leningrad should fall, the vessels will be destroyed.

Originally, the operational purpose of the Baltic Fleet was purely defensive. The mine barrages in the Gulf of Finland are located as follows: 1. Hangoe-Odensholm, 2. latitude Hogland, 3. latitude Seiskari. Information on the strength of the Polar Sea Fleet follows: Destroyers KARL LIEBKNECHT, URITSKI, BYKOV, and three GNIEVNY class ships, three torpedo boats of the BURIYA class, three submarines of the LENINETS class, three submarines of the YAKOBINETS class, six submarines of the SHCHUKA class, three submarine of the S class, and several of the M class.

More details are contained in a teletype from the German Intelligence Service, Reval (Tallinn); see 1/Skl 57054 geh. in War Diary Files "Barbarossa".

2. Own Situation:

Nothing to report.

V. Merchant Shipping:

See Brief Report No. 56 of the Report Series by Naval Staff, Naval Intelligence Division "Foreign Merchant Shipping" for the following information: Russian icebreakers in the White Sea, Baltic Sea, Black Sea, Caspian Sea, and East Asia; reports on increases in British war insurance rates in the Atlantic and Pacific; continuation of Portuguese shipping to the U.S.; troop transport situation on the Capetown-India run, etc.

VI. Submarine Warfare

1. Enemy Situation:

ILLUSTRIOUS is expected in the Liverpool area within the next few days.

2. Own Situation:

Following most welcome reports from returning submarines, the results of the operation against convoy HG 77 have increased to nine steamers sunk and one damaged, in addition to the destruction of the AUDACITY (UNICORN).

According to a report from the Naval Attache, Madrid, the British Naval Attache declared orally when he delivered the protest on 24 Dec. that submarine U "434" was brought into Gibraltar by the British. According to information from its crew members, the boat had received supplies in Vigo during the night of 14 Dec.. Besides that, the bill of lading for the delivery of German medicinal products, with a handwritten remark "Received - 320 Vigo, 15 Dec. 1941", was captured. Although an official British protest has not yet been made, the Naval Attache urgently requests that Supply Station, Spain be temporarily discontinued (Radiogram 1450).

The Commanding Admiral, Submarines has been given instructions to that effect. Further situation report in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

For results of air reconnaissance, see Situation West Area and Norway. Ten of our planes operated against ship targets on the night of 26 Dec.

2. Mediterranean Area:

Balloons carrying British explosive charges were salvaged in the upper valleys west of Turin on 25 Dec.. Bombing attacks by our planes on Gazala and El Adem airports as well as on Malta. Good results were observed. Two Hurricanes were shot down by German fighter escorts.

3. Eastern Front:

Since break of day, heavy enemy air raids on our positions at Sevastopol and near Kerch. During the afternoon, we fought very fiercely against enemy landings. Reports up to now indicate that in these attacks two medium transports were sunk and three others damaged.

VIII. Warfare in the Mediterranean

1. Enemy Situation:

The Chief of the Mediterranean Fleet was assumed to be at sea according to radio monitoring. In the afternoon, a British radio message was intercepted, giving indication of contact with the enemy (possibly the sinking of a British vessel by a submarine off Tobruk). According to reports from agents, the Admiralty was forced to order many traffic diversions because of considerable damage by air attacks on the Suez Canal. According to photographic reconnaissance, four cruisers, ten destroyers, eight submarines, one auxiliary cruiser, and six freighters were lying at anchor at Malta.

2. Situation Italy:

Two cruisers of 4,500 tons and 28 knots speed, which were being built at Monfalcone for Thailand, have been requisitioned by the Italian Navy for the duration of the war.

3. Transport of Supplies to North Africa:

Nothing to report concerning supply activity by submarines and destroyers. One naval barge ran aground while leaving Taranto; its cargo was salvaged. According to a report from the Supply and Transport Office, Bardia, naval barge "146" ran aground at Sollum and was destroyed by enemy artillery (compare War Diary 25 Dec. concerning naval barge "150").

4. Area Naval Group South:Aegean Sea:

Nothing to report.

Black Sea:

During the morning, Russian troops landed on the eastern and northern coast of the Kerch Peninsula and established five bridgeheads up to one battalion in strength. We are counterattacking. The men under the Port Captain of Feodosiya are being used to defend that town. Naval radio station Kerch has been dismantled.

The Naval Staff sent another communication to Group South and the Commander in Chief, Air via chain of command, stressing the importance of laying aerial mines at Sevastopol in view of the fact that that city must be taken soon in order to relieve the Eastern Front. In reply, Group South reports that the 4th Air Force has already executed this mining operation. BM 1,000 mines were used, since aerial minelaying units were not available at that time. According to the Naval Commission, Rumania, BM 1,000 mines can be swept with available equipment (see Radiogram 1250).

For days already, all commands in question were aware of the enemy's intention of landing in the Crimea, especially near Kerch. Unfortunately, no effective defense measures on the part of the Navy were possible because of the known weakness of our forces.

IX. Situation East Asia1. Enemy Situation:

According to radio monitoring, ROYAL SOVEREIGN made its appearance in the Indian Ocean. The U.S. War Department reported strong enemy landings during the night of 23 Dec. near Antimonan, 100 kilometers south of Manila, as well as the probable sinking of a Japanese submarine by an Army bomber off the California coast.

A British report from Chungking states that Dutch East Indian planes scored hits on a Japanese cruiser and probably an aircraft carrier off Borneo. British reports further claim the sinking of two Japanese transports and a tanker by naval and air forces off the coast of Sarawak. According to the Vichy Telegraphic Service, a Dutch East Indian submarine sank a Japanese destroyer of the HUBUKI class. A Netherland East Indian submarine sank after striking a mine.

2. Situation Japan:

Headquarters report a Japanese troop landing on 22 Dec. on Wake Island despite a heavy storm and high seas at the loss of two Japanese destroyers. According to reports from the Naval Attache, Bangkok dated 23 and 24 Dec., the Japanese shot down twenty four enemy planes and destroyed ten on the ground in an air attack on Rangoon. After further reinforcements have been brought up to Trengganu, they are to advance south along the coast as a 4th column. The central column is fighting 24 kilometers north of Ipoh. Advance has been delayed because of landing difficulties, shortage of transportation, and destroyed routes.

X. Army Situation

1. Russian Front:

Southern Army Group:

See Aerial Situation, and Situation Black Sea concerning enemy air activity and landings in the Crimea.

Enemy attacks were repulsed on the sectors of the 1st Panzer Army, the 17th Army, and the 16th Army.

Central Army Group:

The XLVIII Army Corps retreated to rear positions. The enemy attacked our line near the SS Brigade sector. The XLVII Army Corps retreated onto the west bank of the Oka, on a general line Novosil-Mtsensk. Heavy enemy attacks on the entire Moscow front were repulsed, and enemy penetrations brought under control. Large snowdrifts. Special snow clearing crews were put into operation along the main routes.

Northern Army Group:

All enemy attacks were repulsed.

2. Finnish and Norwegian Front:

Light local enemy attacks were unsuccessful.

3. North Africa:

The enemy advanced on Agedabia only with reconnaissance units. Reinforcement of the Bardia-Halfaya front as well as move-

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ments possibly for the purpose of relieving the Agedabia forces were observed by air reconnaissance.

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Items of Political Importance

Indo-China:

The Governor's acceptance of the Japanese ultimatum concerning joint defense of the country has clarified the situation. News of Japanese successes is received with a sense of relief. Anti-British feeling is growing in French circles. On the other hand, the anti-Japanese attitude remains unchanged. A diplomatic source reports that ultimate Japanese victory is regarded very sceptically.

U.S.A.:

Manila was declared an open city.

Japan:

Hong Kong fell on 25 Dec.. The joy at this success is enormous both as regards its real significance as well as the moral factor involved. The Japanese commenced a big offensive against Chinese troops in the Kiangsi and Hunan provinces on 24 Dec.

Conference on the Situation with the Chief, Naval Staff.

I. The second departure of ship "10" was postponed until the next new moon in January.

II. The Chief, Operations Division, Naval Staff reports on the inefficient manner in which Group North is handling preparations for the departure of the TIRPITZ. The orders from the Naval Staff, which aimed at camouflage, intended preparations to be made by the Group itself, and not by the ship command. The Chief, Naval Staff approves of intervention by the Naval Staff as suggested by the Chief, Operations Division, Naval Staff.

III. The Chief, Naval Staff orders that Admiral Riccardi be asked whether it would be feasible to arrange a meeting between him and the Commander in Chief, Navy on 14 and 15 Jan.

IV. The Chief of Operations Branch of the Naval Staff, reports on the directive from the Armed Forces High Command, Operations Staff, National Defense concerning the threat to northern Norway (see War Diary 25 Dec.).

After a thorough discussion of the defense and safety measures ordered and maintained by the Navy, the conclusion was reached that it is neither necessary nor possible to increase or accelerate them.

V. Concerning the transfer of the TIRPITZ to Trondheim, which the Naval Staff is planning for the middle of January, the Naval Staff has issued instructions to the naval commands to begin all necessary

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preparations without delay. The Navy will provide four destroyers and three torpedo boats to guard the battleship on this voyage. All possible naval measures have been taken as regards torpedo nets, camouflage, and anti-aircraft protection so as to safeguard the ship while lying in Trondheim. Similar preparations are being made and are partially completed at Narvik where the vessel is to go in case of necessity. The TIRPITZ will operate out of Trondheim under Group North according to the instructions issued by the Chief, Naval Staff.

The Naval Staff asks the Commander in Chief, Air, Operations Staff to issue instructions to the 3rd and 5th Air Force to comply with the requests hereafter made of them by Group North concerning all measures necessary for reconnaissance, escort, and fighter plane cover. They should also make bombers available if necessary.

Situation 27 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

DIDO arrived at Gibraltar from Bermuda. According to information from captains of merchant vessels, merchant ships are to receive two additional guns and anti-aircraft guns in Bermuda. The majority of the ships leaving the La Plata River are to be assembled into convoys off the Bermudas. Freetown is regarded as an area endangered by submarines. The approaches to the harbor of Portsmouth, New Hampshire have been mined.

South Atlantic:

A 10.5 cm. howitzer battery is being installed on Fernando Noronha. On 26 Dec. the ASTURIAS was on patrol east of Bahia.

Pacific Ocean:

The entrances to San Francisco Bay have been mined.

2. Own Situation:

Nothing to report.

II. Situation West Area

1. Enemy Situation:

Nothing to report.

2. Own Situation:Atlantic Coast:

Enemy air raids on Brest from 1922 to 2048. No damage to ships.

According to a report from the Naval Attache, Madrid it is possible to salvage the BENNO if the good weather continues. The Spaniards will pretend to confiscate the ship as having been abandoned and put it under naval flag. It will be repaired at Ferrol. It will be returned to Germany after it has been repaired (see Radiogram 2400).

Channel Coast:

Nothing to report.

 III. North Sea, Norway, Arctic Ocean
1. North Sea:Enemy Situation:

According to radio monitoring, British steamer CORMEAD (2,848 BRT) hit a mine off Cromer during the night of 25 Dec.. The following ships were located in home waters: KING GEORGE V, DUKE OF YORK, HOWE, RESOLUTION, RODNEY, VICTORIOUS, ILLUSTRIOUS, and FORMIDABLE. No information is available on the commissioning of the ANSON for active duty. RENOWN and NELSON are being repaired in the Iceland area.

Own Situation:

One enemy plane was shot down by Navy anti-aircraft near Texel. Otherwise nothing to report.

2. Norway:

Supplementing his report of 26 Dec., the Commanding Admiral, Norway reports that the enemy unit stayed in Vest Fjord from 1100 to 1630. After a short exchange of gunfire, the patrol boat GEIER was boarded and taken in tow by a destroyer. So far it is not known what became of our own Coast Guard personnel after the enemy landed near Glaapen. Telephone communication with the southern Lofoten Islands has been disrupted. A small unidentified merchant steamer was set on fire. Norwegian steamer KONG HARALD and steamer NORDLAND are missing.

It is not known whether a torpedo or a mine is responsible for the sinking of steamer KONG RING off Groetsund.

On 27 Dec. enemy operations were directed against the Vest Fjord and the Nord Fjord. Reports about this began coming in at Naval Staff at 1300, indicating that a southern group consisting of one

heavy cruiser, two light cruisers, and five to seven destroyers was operating against the Nord Fjord, while a northern group consisting of two light cruisers, four to seven destroyers, and possibly five transports was operating against the Vest Fjord. More particularly, the reports from the Commanding Admiral, Norway present the following picture:

In the Nord Fjord enemy landings took place between 1000 and 1100 on Suedue, the western coast of Vaagsoe Island, and on Husevaagsoe. After a barrage had been laid by destroyers which stayed out of range of the coastal batteries, armored PT boats penetrated into Maaloe Harbor and landed troops in spite of defensive fire. Infantry fighting with heavy casualties on both sides ensued in Maaloe. Strong enemy aerial activity. The enemy left Maaloe at 1552. Coastal batteries apparently had no chance to intervene. Kulen battery was put out of action by a bomb hit. At 1540 Halsoe battery reported that two light cruisers and five destroyers on a northerly course were shelling targets on the shore. No communication with Nord Fjord battery. Enemy minelaying operations off Nord Fjord are not out of the question. Since the enemy left Maaloe, the Army does not believe that any enemy troops remain on Vaagsoe and Husevaagsoe. It is planned to search these islands thoroughly on 28 Dec.

Harbor installations at Maaloe have been destroyed by fire. The following ships were sunk in the harbor by destroyers which penetrated into it: Patrol boat FOEHN, steamer EISMEER (1,000 BRT), steamer NORMA (2,300 BRT), steamer REIMAR FRITZEN (2,900 BRT). The fate of three other steamers is unknown. Patrol boat DONNER is drifting to sea on fire. Salvage attempts are in process. The retreating enemy group was last sighted at 1900 from Stadtland. See Radiogram 2340 for the report by Admiral, West Norwegian Coast concerning events on Maaloe.

In the Vest Fjord the British troops began landings at 1200 on Vest Vaagoe at Valberg and Balstad, on Flakstadoe at Flakstad, and on Moskenesoe near Moskenes. According to Army report, the enemy left Vest Vaagoe during the evening after communications had been destroyed. No other reports are available but the Commanding Admiral, Norway is of the opinion that occupation of other islands is unlikely.

German countermeasures instituted by the Commanding Admiral, Norway involved four submarines lying in the Nord Fjord area under the Commanding Admiral, Submarines and the transfer of the 8th PT Flotilla from Tromsøe to Narvik, from where operations are intended by the Admiral, Arctic Ocean, depending on the situation on 28 Dec.. On the other hand, the Commanding Admiral, Norway had intended not to transfer the 8th Destroyer Flotilla to Narvik because of the uncertain enemy situation, the inadequate training of the flotilla, and navigational difficulties. Before these intentions were known to the Admiral, Arctic Ocean, however, he had sent both these flotillas on operations; the 8th PT Flotilla to advance on Vest Vaagoe, Flakstadoe, Moskenesoe and return to Narvik, and the 8th Destroyer Flotilla to reconnoiter the landing places (see Radiogram 2400).

An assault troop company, an anti-aircraft unit from Bergen, as well as 100 men from Army coastal artillery were dispatched as

reinforcements for the coastal patrol units in Floeroe and Maaloe.

The Commander, Naval Air, North Sea and the Fighter Command, Norway put to use all available forces to fight the enemy. Reports state that one destroyer was sunk off Vaagsoe and that one cruiser and one destroyer were damaged. Our aircraft lookouts on Maaloe were seized by enemy parachute troops. At 1515 a German Bomber Group started out from Breda, Holland for Stavanger without regard for existing regulations. According to a report from the 5th Air Force, eleven enemy bombers had been shot down by 1600. Enemy planes attacked the Herdla airport where the runway was damaged, and a convoy off Egersund, damaging the steamer MAGDALENE VINNEN.

The Commanding Admiral, Norway as well as Group North analyze the situation as follows: The foregoing events do not point to a large-scale operation. They are, rather, a series of larger raids directed against the focal points of our trade routes off Narvik and near Bergen. It is their aim to destroy our outposts and batteries, hamper and temporarily disrupt our trade. These raids are staged for propaganda and prestige reasons, as well as for the purpose of reconnoitering the terrain, the state of the defenses, and of alertness, with view to a subsequent establishment of bridgeheads from which to disrupt and cut the supply routes.

The Naval Staff agrees with this analysis.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

During the evening, enemy air activity in the Kiel Bay area. The navigational channels in the Belts are temporarily closed because mines are suspected.

According to a directive from the Armed Forces High Command, after the 225th Infantry Division has been shipped, it is planned to transfer the SS Legion, Netherlands to Riga by sea. Group North is being informed.

V. Submarine Warfare

1. Enemy Situation:

Cruisers TRINIDAD and CLEOPATRA were in the Scapa Flow area on 22 Dec., and convoy CS 60 was southwest of Iceland on 26 Dec.. Twenty seven survivors from the former Norwegian steamer NIDARDDADAL (2,368 BRT) from the eastbound convoy SD were landed in Iceland on 18 Dec.. Dutch submarine O "10" and an unidentified vessel were 6 miles north of Trevoise Head on 26 Dec., probably bound for Milford.

2. Own Situation:

In the eastern Mediterranean, German submarines located

an enemy convoy of five vessels. One submarine reports a miss on a destroyer. See War Diary, Part B, Vol. IV for further situation report; for the assignment of attack areas to seven of the boats operating near the Azores; and for permission of the Naval Staff to extend the operations area between 32° N and 42° N as far as 35° W for the duration of this operation. For teletype to that effect as per 1/Skl I op 2206/41 Gkdos. Chefs. see War Diary, Part C, Vol. IV. This also contains a review of submarine operations on 27 Dec. according to which ninety eight operational submarines are distributed as follows:

1. In the operations area, or en route there:

a.	For assignment "American Coast"	3
b.	For assignment "Arctic Ocean"	3
c.	For assignment "West Coast of Norway" (includes three en route)	5
d.	For assignment "Mediterranean" including submarines west of Gibraltar	20
e.	For special assignment in Atlantic (radio deception)	1

2. On return voyage:

a.	From the South Atlantic	2
b.	In the Mediterranean	3
c.	From operations area west of Gibraltar	1
<u>Total</u>		<u>38</u>

The remaining sixty operational submarines are not ready for action:

a.	In harbors of western France	38
b.	In Kiel	13
c.	In Trondheim	1
d.	In Mediterranean harbors	8
<u>Total</u>		<u>60</u>

A copy of this list is in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

For reconnaissance results and operations in the Norway area, see Situation Norway.

During the night of 27 Dec. nineteen planes were sent to lay mines in the Thames, and seven to attack shipping targets. So far, one steamer (5,000 BRT) was reported sunk.

For enemy activity during the day over Norway, see Situation Norway, over Brest, see Situation West Area. In the western part of the

Reich, enemy aerial activity with seventy to eighty planes; in the Kiel-Husum sector ten planes. Up to now, ten planes have been reported shot down, seven of them by night fighters.

2. Mediterranean Area:

Aerial mines were laid in Tobruk harbor, and Gazala airport was attacked. Eleven Ju 88's took part in each operation. For results of air reconnaissance see Enemy Situation, Mediterranean.

3. Eastern Front:

The Air Force reports that it sank a total of four transports, eleven assault craft, and several fishing vessels and damaged three transports while repulsing enemy landings near Kerch.

VII. Warfare in the Mediterranean

1. Enemy Situation:

According to Italian reports and German air reconnaissance, a force consisting of one battleship, three cruisers, and several destroyers was at sea northeast of Tobruk during the morning. An Italian report states that one heavy cruiser and two patrol vessels arrived at Malta from Gibraltar. On 26 Dec. one cruiser and four destroyers went through the Suez Canal to Port Said en route from Aden to Alexandria. Seven damaged vessels are said to be lying in Alexandria.

According to a further Italian report, cruiser NEPTUNE and one destroyer sank off Tripoli at 0315 on 19 Dec. after striking mines. (Compare War Diary 25 Dec..)

2. Situation Italy:

The Admiral, German Naval Command, Italy questions the advisability of decorating leading personalities of the Italian Navy with the Iron Cross for other reasons than purely military success. He is therefore against the ceremony which is to take place at Garmisch. In view of the as yet unpredictable developments in North Africa he believes that any steps should be avoided which might be interpreted as basically approving Italian operations and achievements generally (see Radiogram 2130).

The Armed Forces High Command transmits the following teletype sent by the Commanding General, South to the Armed Forces High Command: "Of the two difficult transport problems, the question of oil for the Italian Fleet is the more important one, since at this time the successful shipment of supplies depends on whether or not it is possible to have adequate escort protection. Because of the oil shortage it is impossible to send out the two convoys needed per month. As long as Malta carries on, we must make available the necessary oil if we hope to survive. The battle for Malta depends on bringing up additional forces. In my opinion, this matter should be dis-

cussed with one of your representatives. For a limited time, it seems to me, the Mediterranean will be the most important theater." He requests the Naval Staff's opinion: 1. Concerning the state of fuel oil deliveries and developments in January; 2. concerning the possibilities of procuring and delivering the additional fuel oil necessary for operating the two convoys per month. He also makes some suggestions which might possibly relieve the situation (see Radiogram 2100).

3. Transport of Supplies to North Africa:

British artillery shelled Bardia harbor on 26 Dec. starting at 2230. Two auxiliary sailing vessels left Piraeus on 26 Dec. bound for Bardia. Three transport submarines are en route to Bardia. Two destroyers which were supposed to leave for Tripoli on 27 Dec. have postponed their departure twenty four hours because of the weather.

4. Area Naval Group South:

Nothing to report.

VIII. Situation East Asia

1. Enemy Situation:

According to radio monitoring, it appears that a 3rd Battleship Division will be formed in the East Indies consisting of flagship RAMILLIES, REVENGE, and ROYAL SOVEREIGN.

News Series "Foreign Navies", News Analysis No. 48 contains a report by the Naval Staff, Naval Intelligence Division on the U.S. coastal defenses in the Philippines.

2. Situation Japan:

Nothing to report.

IX. Army Situation

1. Russian Front:

Southern Army Group:

Additional enemy landings on Kerch Peninsula. Air reconnaissance established that more forces are being brought up to the peninsula. Enemy attacks were repulsed on the sectors of the 1st Panzer Army, and the 17th and 6th Army.

Central Army Group:

At the 2nd Army sector, the enemy began very heavy attacks on both wings, and broke through the position of the SS Bri-

gade at the bend of the Trudy River. Break-through towards Orel and Malo Arkhangelsk is to be expected. Evasive maneuvers of the XXXV Army Corps into its winter positions were executed according to plan. Heavy enemy attacks on the 2nd Panzer Army. In the 4th Army sector, Andreyevskoye had to be vacated because of ammunition shortage. Attacks against parts of the 4th and 9th Army were repulsed. The supply situation has become critical because of snow storms.

Northern Army Group:

Besides heavy artillery activity, only light enemy attack movements.

2. Finnish and Norwegian Front:

Enemy attacks were repulsed in Karelia on the Svir sector and at the XXXVI Army Corps and Mountain Corps, Norway.

3. North Africa:

An enemy attack of battalion strength against the Agedabia front was repulsed. The 15th Panzer Division threw back strong units of the 22nd Armored Brigade 40 kilometers southeast of Agedabia. Supplies for the Bardia-Halfaya front are now assured until 10 Jan. 1942.

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Items of Political Importance

Great Britain and U.S.A.:

In certain remarks made by Churchill in his address before the U.S. Congress, the Daily Mail detects indications that he believes a Union of the United States and the British Empire should be created after the war. According to the United Press, Churchill is expected to go to Canada, where he will address the Upper and the Lower Houses of the Canadian Parliament. Parliamentary circles in London expect that Roosevelt will visit Great Britain at a later date. Roosevelt has informed Litvinov about the points discussed during the conferences in Washington. According to the Associated Press, a conference of the ambassadors and ministers of the Latin American countries has begun at the White House in the presence of Roosevelt and Churchill.

According to the Vichy Telegraphic Service, Secretary of State Hull has initiated joint action by the U.S., Canada, and Britain to force the De Gaullists to relinquish the islands of St. Pierre and Miquelon. According to French reports the U.S. military mission in Cairo has taken over control of the Egyptian docks and shipyards in Alexandria and Suez. Control of the harbors and their installations is also to be taken over by the American authorities. This report needs to be investigated.

Italy:

According to Europapress, talks concerning the removal of Italian civilians from Abyssinia have been concluded. Four Italian steamers are scheduled to take away all Italians not subject to military service.

China:

The Chinese National Government at Nanking is preparing to annex Hong Kong.

Situation 28 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Radio decoding located NIGERIA in Scapa Flow on 27 Dec., CHARYBDIS near Glasgow on 25 Dec., and CUMBERLAND and BERWICK near Iceland on 26 and 27 Dec.

The U.S. Navy announces that the British method of examining merchantmen will henceforth also be used by U.S. Army and Navy planes.

2. Own Situation:

The entire crew of ship "16" has arrived at ports in western France. Part of the crew of the PYTHON is still en route aboard an Italian submarine.

On the basis of the experiences of ship "16", ship "10" again requests that the question of submarine escort be reviewed (see Radiogram 1740).

Minesweeper SPREEWALD receives orders by Radiogram 1017 not to touch point "Specht" and to make her crew's nest as small as possible.

II. Situation West Area1. Atlantic Coast:

At 1240 a Bristol Blenheim made a low level attack on Brest. At 1320 one enemy plane attacked two patrol vessels off Brest. Slight casualties and damage. The attacker was presumably shot down.

2. Channel Coast:

During the morning and afternoon enemy air activity near Ostend, Dunkirk, and Boulogne.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

At 1600 a German reconnaissance plane reported two cruisers and five destroyers under pursuit plane cover off the Maas estuary. At the same time another plane reported seven destroyers 40 miles west of Hook of Holland. Planes of the Fighter Command, Holland subsequently dispatched by the 3rd Air Force report that they did not sight any enemy forces. Radio monitoring intercepted British reports concerning German merchantmen both west of Den Helder and from 7 to 10 miles off Dunge Ness.

Own Situation:

From 1913 to 2244 enemy air raids, concentrating on Wilhelmshaven and Emden. In Emden several large fires resulted. The only radar gear repeatedly ceased functioning. Damage and casualties cannot yet be determined. In Wilhelmshaven several large fires were started in the city and the shipyard. Damage to shipyard presumably slight. Four enemy planes were shot down.

Nothing to report on the convoy escort service.

2. Norway:

Enemy Situation:

The islands of Vaagsoe in the Nord Fjord and Vest Vaagoe in the Vest Fjord which were occupied on 27 Dec. were evacuated in the late afternoon of the same day. According to air reconnaissance three cruisers, seven destroyers, three submarines, and two merchantmen were anchored off Moskenes (Vest Fjord) between 1300 and 1500. Four destroyers which launched boats were located west of the entrance to the Ofoten Fjord.

In the southeastern part of the Kvaenangen Fjord a submerging submarine was reported. According to radio monitoring three British vessels were located in the Murmansk area. Another land-based broadcasting station besides the ones at Archangel and Murmansk was located.

Own Situation:

A belated report from Maaloe of 27 Dec. states that the patrol vessels DONNER and FOEHN sank while fighting until all ammunition was used up. The DONNER had opened fire. The number of casualties is still unknown. From the land fighting at Maaloe fourteen dead and twenty five missing, among them seven dead and nine missing from the Navy. One gun of the Nord Fjord battery was put out of commission by gunfire from a cruiser. One dead and seven wounded. Apparently no survivors at the Kulen Army coastal battery. Four more enemy planes were presumably shot down by the Nord Fjord battery and by the patrol vessel FOEHN. Naval Signal Station Maaloe is completely destroyed. No survivors. The whereabouts of secret documents is unknown. Further steamers lost: Probably ANITA L.M. RUSS (1,712 BRT), certainly ANHALT (5,870 BRT). Tug boat RECHTENFLETH was sunk.

The combat mission by air forces to be undertaken on 28 Dec. in view of the enemy situation was not possible due to weather conditions. Two destroyers of the 8th Destroyer Flotilla arrived at 1900 and three vessels of the 8th PT Boat Flotilla arrived at 1600 in Narvik in order to refuel, and departed again during the evening. At 1545 the Admiral, Arctic Ocean received a directive from the Commanding Admiral, Norway to put PT boats and destroyers into action against the enemy vessels which had been sighted off Moskenes. At 1602 Group North recommended use of strong plane and PT boat units in order to prevent the British from gaining a foothold, if the reports from the 5th Air Force are true. Group North also recommended that submarine U "582" be sent from Trondheim to the Vest Fjord after completion of repairs. The other three submarines operating in the Vest Fjord, U "87", U "135" and U "156", were released for their original assignments by the Commanding Admiral, Submarines. The recommendation from the Commanding Admiral, Norway to let submarine U "585", which will be ready at Trondheim on 29 Dec., operate in the Vest Fjord together with other available submarines could not be endorsed by Group North. The Commanding Admiral, Submarines does not believe the U "585" will be ready for action before completion

of repairs, and other submarines besides the ones detailed for operations in northern Norway are unfortunately not available (see Radiograms 2225 and 2333).

Upon an inquiry from the Naval Staff as to why the Commanding Admiral, Norway gave lack of sufficient training as one of the reasons for not using the 8th Destroyer Flotilla on 27 Dec., the Commanding Admiral, Norway reports that the Admiral, Arctic Ocean explained the return route taken by the flotilla (going around Kola Bay), which had been criticized by the Commanding Admiral, Norway on 19 Dec., by the fact that the personnel has not yet completed its training. The Commanding Admiral, Norway subsequently gave his consent to the operation of the flotilla on 27 Dec. (see Radiogram 1805).

Concerning the operations of the two flotillas on 28 Dec. the Admiral, Arctic Ocean reports via the Commanding Admiral, Norway at 2300 as follows:

1. The foray of the 8th Destroyer Flotilla from the Vest Fjord up to Reine has been executed. No enemy forces were sighted. Penetration into Kirke Fjord or a bombardment raid from the outside against the enemy vessels anchored there was not possible because of poor visibility and navigational difficulties.
2. Instead of operating against Reine, the 8th PT Boat Flotilla was ordered to attack the four enemy destroyers reported off Ofoten Fjord.
3. The 8th Destroyer Flotilla was not put into action against these same enemy forces since it would be dangerous for these two forces to operate simultaneously in this narrow area. The destroyers are refuelling at "Pelagos" in Narvik at the moment.
4. Further plans:
 - a. On 29 Dec. rest for the 8th PT Boat Flotilla after cruising three nights in succession.
 - b. Destroyers are to lay mines off Kirke Fjord unless the enemy situation forces us to change our plans. Mines are en route from Tromsøe to Narvik aboard the COBRA (see Radiogram 2335).

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to a report from the Foreign Office, ten of the thirteen Norwegian ships temporarily interned at Goetsborg have now been declared indefinitely interned. The other three ships have been released since, besides other reasons, the captains have been won for the German cause (?). Necessary steps concerning the internment of the newly built ships have been instituted by the Foreign Office.

See War Diary Files "Barbarossa" (1/Skl 57221 geh.) for further statements from prisoners of war concerning the preparedness of the Baltic Sea Fleet (four more destroyers and two torpedo boats); the commissioning (in spring 1942) of four remote-controlled PT boats, two of which supposedly were blown up near Oesel and two are ready for action; the demolition of remote-controlled planes; and the reinforcement of the Leningrad front by 30,000 men from naval vessels, Hangoe, and troops from various islands.

2. Own Situation:

Mines were again laid in the Kronstadt Bay channel. The Naval Liaison Staff, Finland reports that ice conditions have grown considerably worse, and that it is impossible to escort the convoy from Oroe to Helsinki by minesweepers with minesweeping gear. There is danger that the icebreaker will freeze in and be paralyzed in Reval. Since troop transports are not permitted to travel in the Gulf of Finland unescorted, Group North proposes the following:

"a. All troop transports bound for Finland will be diverted to Aboe. Important troop transports can be sent to Helsinki by smaller steamers along the inter-island route if Finland can keep that route open.

"b. All troop transports for the Northern Army Group will be diverted to Riga and Libau, the icebreaker intended for Reval will therefore be sent to either Libau or Riga.

"c. Should the weather improve, an attempt might be made to let the troops be transported by small steamers by the inter-island route to Helsinki and from there to Reval under escort without minesweeping gear. This will presuppose that there is not much ice in Reval harbor." (See Radiogram 1557.)

V. Submarine Warfare

1. Enemy Situation:

At 1400 a British vessel reported a large vessel in the Iceland area, probably southwest. At 0900 another vessel was located at 59° N, 37° 10' W. Convoy HX 165 either was approaching or was in the Minches. At 2200 a British plane received orders from Gibraltar to break off the previously ordered patrol and to reconnoiter an area 150 miles southwest of Brest, to report enemy movements, and to maintain contact with the battle cruiser. Details could not be determined. Perhaps it was a training message or one meant to mislead us.

2. Own Situation:

Report in War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines informs Group North that he considers spontaneous submarine operations in defense against enemy

raids in Norway impractical for the following reasons:

- a. The submarines will only in rare cases be able to reach the areas concerned in time.
- b. Their chances for attack in the area are very slight because of the rapidly moving targets.
- c. Such operations would increase fuel consumption, and this would limit the operations planned for these submarines in the American area in the Atlantic.
- d. These operations would delay the arrival of the submarines in the Atlantic where there have been no submarines whatsoever for weeks. It is of greatest importance that this state of affairs be remedied as soon as possible. Up to the present time this complete absence of submarines has prevented us from exploiting the opportunities in the untouched American area. Naturally, it has also relieved the British defense forces in the Atlantic to a great extent, and has led to their concentration in an area in which the greater part of the German submarines are located at present or through which they must pass. As a result we have had considerable submarine losses.
- e. Therefore the Commanding Admiral, Submarines considers that such operations off the coast of Norway constitute running after very elusive targets and a diversion of submarines from the war against enemy merchant shipping to which they are best suited. Considering the over-all situation, the war against merchant shipping must be resumed under all circumstances as soon as possible. The Commanding Admiral, Submarines requests that these views be kept in mind if he has to reject any similar demands on Atlantic submarines in the future.

VI. Aerial Warfare

1. British Isles and Vicinity:

For reconnaissance observations over the Channel and Vest Fjord see Situation North Sea and Norway. During the night of 28 Dec. seventeen planes flew minelaying missions over the Thames and three planes flew missions against ship targets. For enemy air activity over western and northern Germany see Situation North Sea. For damage sustained in Wilhelmshaven and Emden see Situation 28 Dec. 1941.

2. Mediterranean Theater:

Armed reconnaissance reported two direct hits on an enemy destroyer and damage to two steamers.

3. Eastern Front:

Reports about daylight missions near Kerch have not yet been received.

VII. Warfare in the Mediterranean1. Enemy Situation:

According to aerial photography reconnaissance two cruisers, three destroyers, and four merchantmen were in Malta during the afternoon. At 0950 German air reconnaissance sighted a convoy proceeding southeast with cruiser and destroyer escort 50 miles northeast of Tobruk. It was attacked by German planes and a submarine (see Aerial Warfare and Submarine Warfare). At 1020 one cruiser and three destroyers were located on a westerly course 20 miles east of Bardia. These vessels probably shelled Bardia between 1000 and 1200. In the afternoon two destroyers were located northwest of Benghazi. During the evening a British vessel reported three unidentified vessels 120 miles northwest of Alexandria.

2. Own Situation:

Two PT boats left Augusta at 0400 to aid a plane at sea which had sent a distress signal; they returned at 1045.

3. Situation Italy:

Nothing to report.

4. Transport of Supplies to North Africa:

Sailing orders for destroyers CARABINIERE and ASCARI were cancelled. One transport submarine arrived at Bardia and departed again. Three naval barges en route to Tripoli entered Lampedusa for the day.

5. Area Naval Group South:Aegean Sea:

The "Siena" squadron, consisting of transports, each with 500 German soldiers aboard, the auxiliary vessel BARLETTA, the DRACHE, and two torpedo boats, departed from Piraeus to the south.

Enemy Situation:

Air reconnaissance reported fairly heavy ship traffic in the vicinity of Sevastopol and many freighters arriving and leaving Sevastopol harbor, as well as a convoy made up of six medium-large steamers off Novorossisk.

Own Situation:

The Italian tanker ALBARO, the destroyer REGINA MARIA, one torpedo boat, and a Rumanian gun boat as well as three Bulgarian PT boats arrived in Constanta. The Army situation was reported consolidated the evening of 27 Dec. in spite of a new landing of Russian troops. The attack on Sevastopol was discontinued because troops were withdrawn to reinforce Kerch.

Special Items:

The development of the situation in the Black Sea and the

Aegean Sea has confirmed the necessity for accelerating construction of naval barges urgently requested by Group South. Since the danger exists that the construction program which is now drawing to an end will decrease the output of the Varna shipyard, Group South considers it necessary to place immediate orders for further construction. Fifty naval barges each for the Black Sea and the Aegean Sea are the minimum requirement. For corresponding request from the Deputy Commander, Group South see Radiogram 1350. The Naval Staff, Quartermaster Division is attending to the matter.

VIII. Situation East Asia

1. Enemy Situation:

According to reports from the U.S., the fighting on Luzon near Lingayen and Antimonan is continuing. Two U.S. destroyers were slightly damaged. According to Reuter the Japanese landed on the island of Apaiang (Gilbert Islands) and have thereby taken a step in the direction of endangering Australia. The Midway Islands are still resisting enemy attacks. According to further Reuter reports, General Wavell has taken over responsibility for the defense of Burma. According to the French, Singapore reports landing of Japanese parachute troops near Medan on Sumatra. The Portuguese are transferring 1,000 men from Mozambique to Timor.

2. Situation Japan:

According to a report from the Military Attache at Bangkok, enemy resistance to the Japanese western column is increasing near Ipoh. Enemy air forces remaining in Malaya are estimated at 130 planes, in the Philippines at 40 planes. Japanese ship artillery supported landing attempts in Lingayen Gulf.

IX. Army Situation

1. Russian Front:

Southern Army Group:

The LIV Army Corps gained about 1.5 km. in its attack on the northern Sevastopol front. Enemy resistance in beachheads north of Kerch was broken; the southern beachhead is holding.

At the 1st Panzer Army sector the XLIX Army Corps continued attacking with the western flank and the Italian Division in order to shorten the front. The enemy air force attacked along the entire front of the II and XIV Army Corps. On the 17th Army sector enemy attacks were repulsed or shattered, in places with the help of all available reserves. On the 6th Army sector the XVII and XXIX Army Corps had to withstand strong enemy attacks. Battles around Pochorovka are still continuing.

Central Army Group:

On the 2nd Army sector there is still grave danger of an enemy break-through near Sokolya. The break-through gap 10 km. wide in the bend of the Trudy River has not yet been closed. The enemy is keeping adjoining front sectors under strong pressure in order to prevent them from withdrawing reserves. Evasive movements west of Livny are proceeding according to plan. Much fighting on the sectors of the 4th and 9th Armies. It was possible to repulse some attacks with severe enemy losses; some others resulted in critical enemy penetrations.

Northern Army Group:

Fighting on the front sectors north of Lake Ilmen and near Leningrad. A 28 cm. Army battery scored five hits on the MARAT.

2. Finnish and Norwegian Front:

Troop concentrations in front of the Karelian Army lead us to expect enemy attacks near Vyonsosero and Maselskaya. Enemy attacks on the Mountain Corps are also continuing.

3. North Africa:

Small enemy forces advanced towards the Agedabia position. The counterattack of Group Cruewell against the 22nd British Armored Brigade 50 km. southeast of Agedabia was a complete success. Fifty eight armored cars and many other vehicles were demolished.

German losses from 18 November to 15 December 1941:

Killed	70	Officers	601	noncommissioned officers and men
Wounded	113	Officers	2,092	noncommissioned officers and men
Missing	78	Officers	2,627	noncommissioned officers and men
Total:	261	Officers	5,320	noncommissioned officers and men

29 Dec. 1941

Items of Political Importance

France:

The outbreak of hostilities in the Pacific has aroused concern in Vichy that Tahiti and New Caledonia might obtain U.S. recognition for their earlier desertion to De Gaulle; this would result in an awkward situation between Vichy and Washington.

Portugal:

The Japanese government has informed the Portuguese envoy to Tokyo that if the Australian and Dutch occupation of Timor continues, the Japanese Navy will be forced to take corresponding measures.

Foreign diplomatic sources report on the attempts of the Portuguese government to keep Argentina, Brazil, and Chile as neutral as possible at the Rio Conference.

U.S.S.R.:

See Political Review No. 304, Paragraph 4 for the Anglo-Russian communique concerning Eden's conferences with Stalin and Molotov.

U.S.A.:

Roosevelt's statement concerning the negotiations with Churchill and the Russian and Chinese ambassadors, as well as with the Canadian and Dutch East Indian representatives, asserts that the most important task of the conferences, which are still continuing, is to unite into one front the military and industrial resources of the countries resisting the Axis.

Special Items:

I. The Chief, Naval Staff, accompanied by the Chief of Staff, Naval Staff, went to Fuehrer Headquarters where a report was made to the Fuehrer in the evening. The main point of the discussion was the question of operating the heavy ships TIRPITZ, SCHARNHORST, GNEISENAU, PRINZ EUGEN, and SCHEER. The Fuehrer withholds his decision until the situation in Norway is clarified. The defense of Norway is of decisive importance to the war. Copy of the conference as per Naval Staff, Operations Division (1/Skl I op 2224/41 Gkdos. Chfs.) in War Diary, Part C, Vol. VII.

II. Concerning the directive of the Naval Staff about reconnaissance by planes and submarines north of the British Isles and around Iceland, Group North, which took over execution of this operation (see War Diary 9 Dec.), forwarded the necessary requests to the Commanding Admiral, Submarines on 23 Dec., and declared it necessary to start reconnaissance at once. According to the policy

laid down by Group North, it is desirable for operational reasons to make use of opportunities for attacks on the larger warships. In order to disturb the enemy and to simulate an organized patrol of the Denmark Strait and the Norwegian Sea by German submarines. He will then be more careful about committing his vessels and this will benefit German break-through operations with heavy ships. For the same purpose, reconnoitering submarines should, whenever possible, attract attention to themselves by radioing their position repeatedly from the same place.

The advantage which such action may bring is of course partially offset by the fact that the enemy will be made aware of the significance of this area in connection with the imminent operations.

III. Contrary to the last report from the Commanding Admiral, Battleships, the Chief, Naval Staff, Quartermaster Division, Fleet Branch reports that the SCHARNHORST can fortunately undock after all on 5 Jan.. Thus the delay occasioned by damage to the dock-gate is of no great importance. Subsequent repair of the dock will take three to four weeks. The Chief, Naval Staff is notified of this fact before the beginning of the conference by a radiogram to Fuehrer Headquarters.

Situation 29 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an announcement by the U.S. Maritime Commission, all merchant ships will receive their instructions from the Navy Department. Ships must steer zig-zag courses, and must sail under black-out. According to a report from the Attache Section, all U.S. ships will be painted dark grey.

South Atlantic:

U.S. cruiser MEMPHIS left Pernambuco with destroyer DAVIS on 3 Dec., and was supposed to return ten days later.

Indian Ocean:

According to an unconfirmed Italian report, two battle-ships left the Mediterranean for East Asia on 22 Dec.

2. Own Situation:

Instructions to ELSA ESSBERGER and SPREEWALD to change recognition signals as of 1 Jan. 1942 by Radiogram 2357.

II. Situation West Area1. Enemy Situation:

No special events observed by air reconnaissance in shipping traffic on the British south and southwest coasts.

2. Own Situation:Atlantic Coast:

At 1755 unsuccessful enemy low-level attack on commercial harbor Brest, Creach Lighthouse, and Naval Signal Post at Ouessant.

Channel Coast:

On the evening of 28 Dec. repeated enemy air attacks on Dunkirk with some damage. On the evening of 29 Dec. enemy planes attacked Ostend; the fishing harbor was not damaged.

III. North Sea, Norway, Arctic Ocean1. North Sea:Enemy Situation:

Slight reconnaissance activity. In the afternoon German air reconnaissance located east of Harwich a force proceeding north, consisting of one cruiser and seven light vessels; otherwise the usual ship and convoy traffic on the southeast and east coasts.

Own Situation:

Radiograms 0257, 0817, and 2019 contain detailed report by North Sea Station on enemy air raids and damage sustained in Wilhelmshaven and Emden. It says among other things that the steamer MONTE PASCAL was slightly damaged; splinters caused damage on destroyer JACOBI, fifteen high explosive bombs were dropped on the dummy installations at No. 4 entrance. At Emden submarines were not damaged; there was slight damage at the construction docks. The enemy used special planes to drop flares and new-type thin-shell bombs. Four planes were shot down by naval anti-aircraft guns.

2. Norway:Enemy Situation:

At 1220 the 5th Air Force reported two destroyers and two torpedo boats on a westerly course approximately 100 miles west of the Lofoten Islands, and at 1315 a heavy vessel (battleship or cruiser), two light cruisers, five destroyers, and four merchant ships, course 250° at high speed, 190 miles west of the Lofoten Islands. Group North assumes that it is a westbound convoy from Archangel, and not the naval forces reported in the Vest Fjord on

28 Dec., which might still be at Moskenesoe where air reconnaissance was impossible due to snow storms. Other Lofoten Islands are not occupied by the enemy.

The presence of steamers does not necessarily indicate a convoy, since the naval forces in the Vest Fjord on 25 Dec. were accompanied by steamers which could have been brought along by the enemy for supplies.

According to eyewitnesses, the British destroyed the radio station at Soervaag on 26 Dec., captured all Nazi sympathizers, and distributed 200 radio sets to the people. Fishing installations were not damaged. Eighteen small warships were observed, mostly destroyers, and the captured Norwegian steamers KONG HARALD and NORDLAND. There were many British and Norwegian soldiers, but no sailors, both aboard ship and on land. On 27 Dec. at 1000 the British went aboard apparently very hurriedly in order to depart at 1300.

On 29 Dec. the bearings of an enemy submarine off Tana Fjord were taken. An Italian report states that the Chief of the British Home Fleet announced on 13 Dec. the inadequacy of icebreakers in the White Sea.

Own Situation:

Three of the six enemy Bristol-Blenheims which attacked the convoy steamer MAGDALENE VINNEN on 27 Dec. (see War Diary 28 Dec.) were shot down by subchaser "1404" and minesweeper "23". The 8th Destroyer Flotilla on reconnaissance patrol in the Vest Fjord sighted no enemy forces while following the coast from Stamund via Ballstad to Nuss Fjord between 1130 and 1445. Operation of the 8th PT Boat Flotilla against the four enemy destroyers reported off Ofoten Fjord on 28 Dec. likewise remained unsuccessful. Both flotillas came into Narvik where also the COBRA was anchored. Since the enemy situation in the Kirke Fjord still seems somewhat uncertain, the Commanding Admiral, Norway postponed the minesweeping operation planned for 29 and 30 Dec.. The Commanding Admiral, Norway furthermore foregoes operation of submarine U "585", so that repairs may be made (see Radiogram 1025). A landing operation at Soeroe is suspected from enemy radio telephone communications. The island bays in question are being patrolled by the 12th Sub-chaser Flotilla; the Army has been asked to search the island for a secret submarine base or transmitting station.

Permission was granted to continue convoys except in the Vest Fjord. The area between South Kristiansand and Stavanger, as well as between Floroe and Stadland, is still closed to ship traffic.

War Diary, Part C, Vol. IIA contains the opinion of the Armed Forces High Command on the events of 27 Dec.. This includes instructions for increasing coastal defenses by bringing up Army forces and materiel to the Commander, Armed Forces, Norway and by reinforcing the Air Force from units in the West. The Commander in Chief, Navy is to investigate the possibility of using additional torpedo batteries (Naval Staff, Operations Division, 1/Skl I op 2209/41 op Gkdos. Chfs.). The same document contains a report by the Naval Staff,

Operations Division concerning both the completed torpedo batteries and those under construction in Norway. The Naval Staff, Operations Division cannot recommend a greater number of these torpedo batteries because of the slight operational possibilities and meager chances for success as opposed to the very considerable expense necessary to set them up; the Chief, Naval Staff was informed to this effect by teletype message to Fuehrer Headquarters.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The report by Group North on 28 Dec. concerning minelaying in the Kronstadt Channel was an error. Since 5 Dec. no mines have been laid.

Due to Group North's report dated 28 Dec. about the increasingly critical ice situation (see War Diary 28 Dec.), an announcement was sent from the Naval Staff to Fuehrer Headquarters, Armed Forces High Command, and the Army High Command in Radiogram 1030 to the following effect: It is impossible to escort convoys from Oeroe to Helsinki with minesweepers with equipment. There is danger that the icebreaker will be ice-bound and incapacitated in Reval harbor. In consideration of the weather, it is suggested that, since responsibility cannot be accepted for troop transports without anti-mine protection, all troop transports to Finland be detoured via Abo and all troop transports for the Northern Army Group be rerouted to Riga and Libau. Furthermore it is suggested that the icebreaker intended for Reval be sent to Libau or Riga.

Steamer MARIE SIEDLER with a cargo of grain, ran aground near Schwarzort. Minelayer "557" was lost from the flotilla unit near Greifswalder Oie in a snowstorm on 27 Dec. at 1900 and has been overdue since that time.

Operations in the area of the Commander, Defenses, East were executed according to plan, with nothing particular to report.

V. Merchant Shipping:

A DNB report states that the U.S. Maritime Commission requisitioned Finnish ships in U.S. harbors.

A Portuguese shipping company wishes to keep up traffic to U.S. harbors with five ships. Brazilian traffic to Portugal is also to be continued. Aside from these, only the eight steamers chartered by Switzerland will be sailing between Portugal and the United States.

VI. Submarine Warfare1. Enemy Situation:

Convoy HXB 165 was in the North Channel at noon on 28 Dec.. A plane in the Iceland area reported at noon on 28 Dec. that it had come upon convoy "Roman". An intelligence report from Spain states that the departure of a convoy from Gibraltar is expected on 30 Dec.. According to a report from the Naval Attache in Madrid, personnel hired by the British Consul at Cadiz has been assigned to the bay and the roadstead at night to keep a lookout for German submarines.

2. Own Situation:

The German Naval Command, Italy reports that during the night of 28 Dec. German submarines sank two ships and damaged another one in a fast eastbound convoy in the area 70 miles north-east of Bardia. The good work of Air Force reconnaissance made this success possible. (See Radiogram 0900.) Further situation report in War Diary, Part B, Vol. IV, which also includes an analysis of the situation by the German Naval Command, Italy concerning submarine operations east of Gibraltar, and the opinion of the Naval Staff on this question. For copy of corresponding teletype message, see 1/Skl Iu 2203/41 Gkdos. Chefs. in War Diary, Part C, Vol. IV.

VII. Aerial Warfare1. British Isles and Vicinity:

See Situation West Area, Arctic Ocean, and Norway for reports of air reconnaissance. The 5th Air Force reports a steamer (4,500 BRT) sunk off the western coast of the Faroe Islands. In our night operations of 29 Dec., forty nine planes attacked Newcastle with poor results due to bad visibility. Five He 155's made bomb and torpedo attacks on merchant ships in the Irish Sea, but without results.

2. Mediterranean Area:

Armed reconnaissance planes attacked two destroyers off Valetta without success. Planes given freedom of action sank with gunfire a three-masted sailing ship off Valetta harbor entrance, successfully attacked four submarines, and shot down four Hurricanes.

3. Eastern Front:

4th Air Force units reported sinking a Russian torpedo boat and damaging a cruiser off Feodosiya. See Enemy Situation, Black Sea for reports of reconnaissance.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

In Gibraltar there were twelve steamers and two destroyers more than on 28 Dec., and two torpedo boats fewer.

Central and Eastern Mediterranean:

There are no reports concerning sighting enemy naval forces. However, according to Italian radio monitoring, the Commander, 1st Battle Squadron was still at sea with cruisers and destroyers. Cruisers PENELOPE and AURORA were also located with accompanying destroyers in the area off Alexandria. Since AURORA was located on 28 Dec. at 0915 still 130 miles east of Malta, it may be assumed that the vessel participated in the convoy escort to Alexandria reported by our air reconnaissance on 28 Dec.

2. Situation Italy:

One large lighter was sunk during artillery attack on Bardia on the evening of 28 Dec.. An Italian report states that on 28 Dec. at 1500 Italian torpedo planes north of Raz Assaz attacked the convoy which had been announced on 28 Dec.. Hits were reported on one cruiser and one steamer; a probable hit was scored on another steamer.

Thus this convoy has successfully been attacked by German and Italian planes as well as by German submarines.

3. Transport of Supplies to North Africa:

Four naval barges entered Tripoli. Three transport submarines are intended for gasoline supply to Tripoli; the remainder of those which are ready are intended for Bardia. They will depart between 31 Dec. and 8 Jan.. Steamer ACHAEA departed from Palermo and is proceeding under escort of one torpedo boat as far as Cape Bon, from there to proceed along the coast to Tripoli. The next steamer voyaging alone to Tripoli will be the STURMA.

4. Area Naval Group South:Aegean Sea:

The "Siena" transport squadron (see War Diary 28 Dec.) returned to Piraeus because of bad weather. Lively enemy air activity over Chalkis, Euboea, and Suda; at Suda slight damage was done to building materials in the dump of the Naval Construction Office.

Black Sea:

Air reconnaissance revealed that two destroyers and four steamers were at Feodosiya. Between 1300 and 1600 three convoys of

twelve steamers in all under escort and one other steamer convoyed by two cruisers were sighted off Feodosiya putting out to sea.

West of Anapa four steamers were sighted on westerly course. In Tamanskaya Bay there were three steamers and nine boats, twenty boats in the Kerch Strait, and north of Kerch Peninsula a convoy of eight steamers with two cruisers on easterly course. This heavy traffic is without doubt connected with the enemy's intention of occupying Feodosiya.

The Russian tanker VAILLANT CUTURIER, loaded with gasoline, entered the Bosphorus.

Own Situation:

The Port Captain at Kerch reports that the XLII Army Corps is vacating the Kerch Peninsula as far as Feodosiya. In response to the Army's wish, parts of the Shore Command are being transferred from Yasi to the Crimea in order to provide coastal defense on the northwest Crimea and to strengthen the defense of Eupatoria and Ak Mechet. According to a report of Group South, these units are weak and very superficially trained. Their transport by air to the Crimea has been authorized. Since the only submarine, DELFINUL, is out of action, since the two Rumanian destroyers which are ready for action are quite insufficient for these operations, and since more forces are not available, no support can be given the 11th Army by sea. (See Radiogram 2356.) Radiogram 2121 notifies the Naval Liaison Officer to the Army High Command of this fact.

The Naval Liaison Officer to the Army High Command transmitted on 23 Dec. the investigation report of the Chief Supply and Administration Officer of the Army General Staff concerning supply traffic by ships across the Black Sea. The availability of tankers is considered essential. The report differentiates between the following six operations:

1. Supply of the 11th Army High Command after the fall of Sevastopol.
2. Supply of the 1st Panzer Army for the attack on Rostov.
3. Advance on Maikop.
4. Seizure of the approach areas on the northern edge of the Caucasus as far as Tuapse and Makhach Kala.
5. Attack across the Caucasus.
6. Seizure of Transcaucasia.

Supplementary information by the Naval Liaison Officer to the Armed Forces High Command and a map marked with the desired transport routes are added to the investigation report. Counterproposals are left to the discretion of the Naval High Command. The start of the operations may even have to be made dependent on the state of preparedness of overseas supply units.

In the opinion of the Naval Staff, Operations Division, the moderate requirements of the Chief Supply and Administration Officer, Army can be fulfilled as desired from the operational point of view, if the future enemy situation still permits. The problems of cargo space is to be clarified by the Naval Staff, Quartermaster Division, Shipping and Transport Branch. The Naval Staff will then attend to the operational side of the matter.

IX. Situation East Asia:

Press reports state that Ipoh was taken. According to Domei, Admiral Shimada announced enemy and Japanese losses to the Japanese Senate as follows:

Enemy losses:

Battleships: Seven sunk, three heavily damaged, one slightly damaged

Cruisers: Two sunk, two heavily damaged, four slightly damaged

Destroyers: One sunk, four damaged

Submarines: Nine sunk, many more probably destroyed

Smaller vessels: Six gun boats and more than six torpedo boats sunk, two gun boats and one auxiliary vessel damaged

Sixteen merchant ships sunk, three damaged; fifty vessels totalling 130,000 tons and each over 200 tons (Domei says 400 tons) requisitioned

Japanese losses:

Three destroyers and one minesweeper sunk
 One minesweeper heavily damaged
 One light cruiser slightly damaged
 Five special submarines missing

There are no other important reports.

X. Army Situation

1. Russian Front:

Southern Army Group:

The enemy began a counterattack against the LIV Army Corps along the whole front near Sevastopol. Battles are still continuing. During the early morning an enemy landing took place at

Feodosiya and northeast of the city after enemy aerial preparation. The landing could not be repulsed. Feodosiya has been abandoned. The 11th Army High Command intends to defend the Crimea in Kerch Peninsula and to win back Feodosiya. Light activity among the other armies of this group.

Central Army Group:

Attacks against the 2nd Army along the whole front. The enemy broke through an uncovered loophole north of Droskovo as far as Nikolayevka. In the 4th Army sector Vorotynsk had to be given up to enemy of superior strength. In the 9th Army sector our attack against cavalry south of Baklanovo was stopped by strong enemy forces. The XXII Army Corps drew back its lines. In all other sectors of the Central Army Group the enemy could either be stopped or thrown back.

Northern Army Group:

Enemy activity in the front sectors north of Lake Ilmen. In general a quiet day on the Leningrad front.

2. Finnish and Norwegian Front:

Skirmishes near Oshta and south of Ukhta. Otherwise the situation is unchanged.

3. North Africa:

The 22nd Guards Brigade drew closer to the Agedabia position from the northeast. Group Cruewell, continuing the counterattack, took El Halaiat with the German Afrika Korps, and the area 30 km. southeast of Agedabia with the Italian Motorized Corps. During the engagements on 28 and 29 Dec. a total of sixty five armored cars and twenty four scout cars were destroyed and 230 prisoners taken.

One hundred and twenty enemy bombers attacked Bardia. Strong enemy artillery activity on the Bardia-Halfaya front.

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Items of Political Importance

France:

See Political Review No. 305, Paragraph 1 for information concerning Franco-American disagreement about the islands of St. Pierre and Miquelon.

Spain:

The German Ambassador reports that the Spanish government will make a strong protest to the British government for the severe violation of territorial rights during the attack on the BENNO.

U.S.S.R.:

According to a neutral diplomat's report, the press is less optimistic about the development of recent operations. Some of the evacuated offices, especially cultural institutes, have returned to Moscow.

Arabia:

See Political Review No. 305, Paragraph 4 for the interview granted by the Grand Mufti of Jerusalem to the Japanese press concerning the historical renaissance of the Asiatic Continent and the effect of Japanese victories on India and the Arabs.

Ecuador:

A dependable report states that an agreement was completed on 11 Nov. between the U.S.A. and Ecuador concerning lease of the Galapagos Islands.

Japan:

Political Review No. 305, Paragraph 8a contains the German Ambassador's report on Japanese ideas about the future political structure of Hong Kong and the Philippines, as well as of Malaya and Burma.

The Japanese Ministry of Information declares that relations with Russia are extremely friendly and are based on the neutrality pact. Japan must watch the attitude in South America very carefully. So far Argentina, Chile, Brazil, and Peru have not declared war on Japan; but the possibility must be considered that these countries, too, might be drawn into the war on the side of the United States.

New Zealand:

The Prime Minister emphasized that Washington had gained unusual significance for New Zealand now that the Pacific has become the main theater of war.

Conference on the Situation with the Chief, Naval Staff.

As a result of the Fuehrer's views recorded on the occasion of a report by the Chief, Naval Staff concerning a surprise dash through the Channel to be attempted by the ships at Brest (see War Diary 29 Dec.), the Chief, Naval Staff orders the competent offices to investigate the possibilities of such an operation. For this purpose there will be a conference in Paris on 30 Dec. with Commanding Admiral, Group West, at which Fleet Commander; and Commanding Admiral, Battleships will be present. The Naval Staff, Operations Division will be represented by the Chief, Operations Branch.

The Chief, Naval Staff announces that besides Field Marshals von Brauchitsch, von Rundstedt, and von Bock, Generals Guderian, Foerster, and von Sponeck have also been relieved.

Situation 30 Dec. 1941I. War in Foreign Waters1. Enemy Situation:North Atlantic:

Cruiser NEWCASTLE, which was up to now in a U.S. shipyard, has put to sea, probably on return voyage home. ILLUSTRIOUS was located at Liverpool on 30 Dec.

South Atlantic:

OMAHA left Pernambuco with destroyer SOMERS on 22 Dec.. One U.S. destroyer entered Natal for the day on 29 Dec.. INDOMITABLE was located in the Cape of Good Hope area en route to Durban.

Pacific Ocean:

PERTH departed 22 Dec. from unknown port bound for Sidney. On the same day ACHILLES left Moreton Bay for unknown rendezvous.

2. Own Situation:

Information on enemy situation in Radiogram 2244. Memorandum by the 1st Gunnery Officer of ship "16", Lt. Kasch, concerning artillery armament of auxiliary cruisers is being forwarded to the Naval Staff, Quartermaster Division, Fleet Branch with the recommendation that the principles therein be considered in the preparation of further auxiliary cruisers. Copy in War Diary, Part C, Vol. I, 1/Skl Ik 29487/41 Gkdos.

II. Situation West Area1. Enemy Situation:

Air reconnaissance showed that five light vessels were 30 miles west of the southern tip of Ireland around noon.

2. Own Situation:Atlantic Coast:

On the basis of the BENNO experience and information from the radio intercept service, Group West reports the following concerning departures and arrivals of blockade-runners:

"a. Outbound route has proved good.

"b. It is unknown whether air reconnaissance has been increased as a matter of routine or as flank protection for convoys. The enemy is capable of quick, strong air force operations from land. They are probably using locating devices, to judge from night operations in combination with accurate use of flares. The best defense is timely anti-aircraft fire.

"c. Blockade-running is made more difficult because of the reasons presented in "b". Dark nights and bad visibility are the best protection. The times of heavy convoy traffic are to be reported.

"d. Spanish territorial waters are no longer protection against enemy attack." (See Radiogram 1120.)

Instructions have been issued to Group West for bringing in ELSA ESSBERGER, loaded with rubber, the arrival of which is expected 5 Jan. 1942 in quadrant CD 31, and 12 Jan. in Bordeaux. The ship will be brought in like the BURGENDLAND. One submarine will meet her in CD. The ship has orders to steer towards Spanish territorial waters between Vigo and Ortegale. In view of the BENNO incident, the Naval Staff considers that passage through territorial waters, which have been used often lately, is not practical. Group West will take over command on 5 Jan. at 0000.

Channel Coast:

The Commander, Torpedo Boats reports that detour of convoys north of Cromer is most probably the result of our minelaying operations. (See Radiogram 1020.)

Eight ground mines were swept on route "Rosa" on 30 Dec.. Otherwise nothing to report.

III. North Sea, Norway, Arctic Ocean1. North Sea:

Nothing to report.

2. Norway:Enemy Situation:

Radio monitoring located four vessels, probably one British and three Russian, in the Murmansk coastal area. According to air reconnaissance, Vest Fjord is free of enemy forces. Kirke Fjord and Moskenesoe could not be observed on 28 and 29 Dec. because of snow storms. The Admiral, Arctic Coast reported by telephone that British naval forces left Kirke Fjord on 28 Dec. at 1600. KONG HARALD and NORDLAND are lying there damaged. British rumors, spread intentionally, spoke of a larger action in the next few days in order to occupy permanently the Lofoten Islands, the Vester Aalen Islands, and Bodoe. Eighty U.S. transports would be used for this operation.

Own Situation:

The 8th Destroyer Flotilla, the 8th PT Flotilla, and COBRA are in Narvik. The mine project in Kirke Fjord has been abandoned. The flotillas will proceed to Tromsøe on 31 Dec. with LUEDERITZ and COBRA. After being temporarily opened, Groet Sound was closed again on 30 Dec. because mines are suspected. The sinking of steamer KONG RING on 26 Dec. is probably attributable to mines after all.

The Admiral, Arctic Ocean has instructions from the Commanding Admiral, Norway to operate his vessels at his discretion, since from our information the departure of the enemy can be taken for granted (see Radiogram 1750).

According to a report from the Commander, 1st Net Barrage Unit, a net enclosure for one battleship and a single net for submarines have been completed in the Narvik area under the present program of constructing safety measures. A second net enclosure and a second submarine net will probably be ready in the near future. Under the same program, the Commanding Admiral, Norway had requested the 5th Air Force Command at the beginning of December to assign pursuit planes and bombers to northwestern Norway. Remarking that the main objectives of the 5th Air Force are in the eastern area, the 5th Air Force Command answered that the defense of the anchorages for naval vessels must be assumed by the Navy with every available active and passive measure; if necessary the Air Force will operate with all the means at its disposal from Banak and Stavanger, depending on the situation, including weather conditions, at the time. In addition the 5th Air Force will try, depending on the situation in the western and eastern areas, to transfer its forces to Bardufoss temporarily, provided it is notified in time about the intended number of vessels at each anchorage.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Group North agrees with the proposal of the Commander, Minesweepers, North to open route 80 between "Blau 16" and "Blau 18A" to ships sailing alone. (See Radiogram 1607.)

A border patrol on Ruegen heard a heavy detonation coming from the sea on 27 Dec. at 2305. It is very probable that minesweeper "557",

which lost contact with its unit near Greifswalder Oie on the same day at 1900, ran over an aerial mine, the laying of which was observed in October 1941 in the Bay of Pomerania. All further search for the boat has been in vain.

Otherwise nothing to report.

V. Submarine Warfare

1. Enemy Situation:

According to radio monitoring, convoy SL 95B was at AM 6466 on 31 Dec. at 1000. A British patrol boat was about 300 miles west-southwest of the Canary Islands on 29 Dec., and the cable ship MIRROR with escort was near Horta.

2. Own Situation:

Report in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Fifteen four-motored Halifaxes with fifteen pursuit planes attacked Brest from 1500 to 1535. Three of the former and six of the latter were shot down. One floating crane capsized, and one pump steamer was damaged. Our armed reconnaissance planes attacked a British steamer of 2,000 BRT with three aerial torpedoes off the mouth of the Tajo without success. Seven smaller steamers off Queenstown were not attacked with aerial torpedoes, as the targets did not seem worth it. The attack was made with machine guns.

2. Mediterranean Area:

See Enemy Situation, Eastern Mediterranean for reports of reconnaissance.

3. Eastern Front:

In the harbor of Feodosiya one steamer of 3,000 BRT was damaged and three more were probably damaged during several attacks. For reports of reconnaissance, see Enemy Situation, Black Sea.

4. Special Items:

In response to the Naval Staff's request that the 3rd and 5th Air Forces send reports of reconnaissance to Group North, the Air Force General with the Commander in Chief, Navy transmits the answer of the 3rd Air Force that it already passes all such information on to Group West, and that Group North can get it from there. (See Radiogram 2045).

This matter must be clarified as requested. The detour of information via Group West makes worthless the execution of reconnaissance tasks specially assigned to Group North.

VII. Warfare in the Mediterranean

1. Enemy Situation:

Western Mediterranean:

MALAYA, ARGUA, HERMIONE, DIDO, about fifteen destroyers, and five submarines are at Gibraltar. Polish passenger ship BATORY left with three destroyers during the evening.

Central and Eastern Mediterranean:

Since QUEEN ELIZABETH, VALIANT, and BARHAM are in the Alexandria area, the Italian reports concerning the departure of two battleships from the Mediterranean for East Asia are probably not correct. Four submarines arrived at Malta during the afternoon of 29 Dec.. During the morning of 30 Dec. air reconnaissance located several ships sailing individually under escort and a group of naval forces consisting of one battleship, two light cruisers, and four destroyers off the coast between Marsa Matruh and Tobruk. The unit was proceeding north. At the same time Italian radio intelligence located the command of the 1st Battleship Squadron in port, and one battleship, the cruiser AJAX, and the destroyers HIGHLANDER, SIKH, and LEGION at sea off the coast of Cyrenaica. An Italian agent reports that submarines TEMPEST and TURBULENT will sail from Britain to Alexandria in the near future.

2. Own Situation:

During the night of 30 Dec., the 3rd PT Boat Flotilla laid mines off Malta. Report on completion of mission not yet available.

3. Situation Italy:

Italian merchant shipping was further damaged by submarine attacks on tanker CAMPINA which sank near Zante, and on motor ship CITTA DI MARSALA which was torpedoed near Argostoli. During the night of 28 Dec. enemy air raids on Tripoli without damage to military installations. Bardia was shelled repeatedly between 1245 and 1400. According to a report from the Supply and Transport Office, a lighter was sunk and the last available lighter severely damaged. An Italian motor-minesweeper was also severely damaged. The transfer of auxiliary sailing vessels from the Aegean area is thus of special importance. German Naval Command, Italy is taking the matter up with Commanding Admiral, Aegean Sea (see Radiogram 2100).

According to information from the Italian Navy, the British sailors picked up on 24 Dec. near Misurata say that the cruiser group NEP-

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TUNE, AURORA, and PENELOPE had left Valetta on the night of 18 Dec. in order to intercept the 53rd Transport Squadron off Tripoli. At 0315 flagship NEPTUNE struck at least two mines in barrage D off Tripoli, and sank in an hour. A further detonation seems to have involved a destroyer bringing aid. (See Radiogram 0700 from the German Naval Command, Italy.)

Barrage D is part of the outer barrage for the defense of Tripoli; it consists of 140 German EMC mines with lower antenna, and was laid on 1 May 1941 according to the German specifications and the mining order worked out to the last detail by the Naval Staff, Operations Division, Mine Warfare and Anti-Submarine Section. In spite of German insistence, unfortunately the barrage was not laid until after heavy British forces had shelled the harbor of Tripoli on 21 April. The position of the barrage as suggested at the time by the Naval Staff therefore has proved correct.

In regard to this gratifying success, which is after all German, the Admiral, German Naval Command, Italy reports as follows:

"1. The sinking of the NEPTUNE by mines may be of decisive importance for holding Tripolitania. Without this event, the British cruiser group reported by air reconnaissance would very probably have destroyed the Italian convoy on 19 Dec. before it ever entered Tripoli.

"The steamers of the convoy on this night were en route to Tripoli from the area east of Homs; they were travelling singly, each covered by two destroyers. The escorting cruisers had turned back to Italian home bases at nightfall because of expected attacks by torpedo planes from Malta. This information has just now become known.

"It is certain therefore that the operations of the entire Italian Fleet as well as the operations and actions of the German and Italian Armed Forces for the protection of the 53rd Transport Squadron, would have been in vain if the NEPTUNE group had not been prevented from executing its mission of annihilation by the loss of its flagship. It would have been impossible to evade the British unit because it was deployed off the harbor. Furthermore during the night British reconnaissance planes established contact with the convoy and bombed it.

"2. There is no doubt that the loss of the actual supplies brought by the three steamers at the peak of the crisis in North Africa would have had the severest consequences. The psychological effect might have put an end to Italian resistance."

The Admiral, German Naval Command, Italy then tells of the difficulty he had in urging the Italians to execute the German plan, and that he himself went aboard one of the Italian cruisers laying the barrage. In concluding he remarks that the German Navy can take credit for having played a decisive role in saving Tripolitania. (See Radiogram 2100.)

The Naval Staff agrees completely with the analysis of this success by the German Naval Command, Italy, and is especially pleased that mine warfare can book

two such decisive successes as Juminda and Tripoli within half a year.

4. Transport of Supplies to North Africa:

The steamer ACHAIA is en route to Tripoli. Two transport submarines are on return voyage from Bardia, and one transport submarine is en route to that port. Four special command ferries (SS Faehren) ran aground near Ras el Aali.

On 2 Jan. a transport squadron consisting of six steamers is to sail from south Italian ports for Tripoli. Escort is to be provided by four battleships, two heavy and three light cruisers, and twenty nine torpedo carriers.

5. Area Naval Group South:

Aegean Sea:

Enemy Situation:

According to report from the Naval Attache, Istanbul, the Russian tanker sunk was tanker AVANESOV, the crew of which, including a number of British General Staff officers, has been brought to Istanbul.

Own Situation:

Supply squadron "Siena" has once more left Piraeus for Suda.

Black Sea:

Enemy Situation:

According to a report from the 4th Air Force, three steamers, four boats, and one destroyer were left in Feodosiya after one cruiser, two destroyers, and one steamer had departed. South of Kerch several steamers were sighted on westerly course, some of them towing boats. Two destroyers in Novorossisk. Prisoners say that the cruiser sunk on 13 Nov. in the air raid off Sevastopol was the CHERVONAYA UKRAINA.

Own Situation:

No minesweeping because of bad weather. Rumanian destroyer REGELE FERDINAND out of action for one day because of spotted typhus.

Group South informs the 11th Army Headquarters and subordinate commands involved that it is possible to use available forces of Naval Shore Commands "U" and "V" for strengthening harbor and coastal defenses. Transportation would have to be furnished by the 11th Army Headquarters, however, since naval transport vessels are still under way. Group South points out that the German railroad battery 628 (three 28 cm. guns), set up near Constanta, can be released by the Navy for the present.

In order to strengthen the defense by aerial mines as soon as possible, the 4th Air Force will have to bring up the necessary squadrons for laying not only BM 1000, but also blue, red, and green aerial mines. The planes must be able to lay mines continuously, not only just once. Points of operation are: Kerch Strait, Feodosiya harbor, and Yalta; mining must be intensified in Sevastopol, Eupatoria roadstead, Ak Mechet harbor, the bays of Yarylgach and Karadzha, and the narrows between Dzharylgach and Bakalskaya to block the entrance to Perekop. Since these harbors are not in enemy hands, the mines can be laid peacefully, and entrances for our own use can be left unmined. In closing, Group South states once more that no naval forces suitable for defense are available. (See Radiogram 1400.)

The Naval Staff agrees wholeheartedly with the proposals made by Group South, which suggest the only contribution, unfortunately, which the Navy can make to defense, as things stand.

VIII. Situation East Asia

1. Enemy Situation:

Radio monitoring reveals that RAMILLIES is bound for the Indian Ocean; INDOMITABLE is near Durban; in Singapore are EDINBURGH, cruisers DANAE, MAURITIUS, DAUNTLESS, DURBAN, four destroyers, and six submarines; in the Colombo area are REVENGE, ROYAL SOVEREIGN, HERMES, and EAGLE (the latter not sure), furthermore cruisers CORNWALL, EXETER, AUSTRALIA, ENTERPRISE, GLASGOW, EMERALD, HOBART, and several auxiliary cruisers and destroyers; in Bombay area cruisers LONDON, DORSETSHIRE, and LEANDER, three destroyers, and two gun boats; in Australia cruisers CANBERRA, ADELAIDE, PERTH, and ACHILLES.

Reuter reports that U.S. freighters MANINI (3,253 BRT) and PRUSA (5,113 BRT) were sunk by torpedoes during the night of 17 Dec.. According to a report from Batavia, Japanese landings in Medan (Sumatra) have not been confirmed. A report from the U.S. Navy Department states that during the occupation of Wake Island four U.S. planes put out of action one Japanese cruiser, three destroyers, and one submarine. Furthermore, U.S. submarines are said to have sunk two more Japanese supply ships near the Philippines, while one U.S. destroyer was slightly damaged during an enemy air raid. According to a report from the Vichy Telegraphic Service, Netherlands East Indian planes attacked a Japanese transport successfully off Miri in Sarawak.

2. Situation Japan:

The Japanese Navy sank two enemy submarines off Borneo. A Japanese destroyer and a motor-minesweeper were lost in that engagement. The Japanese troops which landed in southwest Borneo have occupied Kuching. Between Hawaii and the U.S. coast Japanese submarines up to 25 Dec. have sunk ten ships totalling 70,000 BRT,

and damaged an additional eight totalling another 70,000 BRT.

IX. Army Situation

1. Russian Front:

Southern Army Group:

Rumanian units were forced to withdraw from positions near Feodosiya. Arrival of the 46th Infantry Division as planned. Only light activity in 1st Panzer Army and 17th Army sectors because of cold weather and snow storms. The 6th Army could not re-establish contact of its left flank with the Central Army Group. The enemy broke through at Tim. Counterattack has been started. The break-through gaps between the 16th Infantry Division and the 9th Panzer Division and those at the IV Army Corps could be closed.

Central Army Group:

All attacks on the whole front could be stopped by active countermeasures. Enemy break-through near Likhvin was stopped.

Northern Army Group:

An enemy break-through at the 61st Infantry Division penetrated as far as the Leningrad-Soltsy railroad. Counterattack is in progress.

2. Finnish and Norwegian Front:

The island of Tytersaari in the Gulf of Finland was occupied by the Finns. At the sector of the Karelian Army and the Commanding General, Norwegian Theater enemy attacks were repulsed; the 6th Mountain Division, especially, won a decisive victory against stubborn enemy attacks on the Murmansk front from 21 to 28 Dec.

3. North Africa:

The 22nd British Armored Brigade withdrew to the northeast ahead of pursuing Group Cruewell. Forty eight more tanks were destroyed. With the total losses of the last three days, the enemy brigade is at least badly weakened. All is quiet on the Agedabia front; strong enemy artillery activity on the Bardia-Halfaya front.

The fuel situation of the troops is acute; that of the Air Force is improved. Possibilities for operating remained limited because airfields are situated too far west for the range of our dive bombers and pursuit planes.

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Items of Political Importance

Great Britain:

Churchill's speech to the Lower House at Ottawa contains a few noteworthy statements. He declared that it is now possible that this war will end without giving the Canadian Army the opportunity to fight as much as in World War I. During the conferences with Roosevelt, a joint pact was signed by more than thirty nations who are resolved to fight until Hitler's tyranny, Japan's folly, and Mussolini's bluff have been eliminated. There will be neither treaty nor compromise. The enemy's strength, however, demands the utmost effort. Had France evacuated its government to North Africa in 1940 without concluding a separate peace, Italy would probably have withdrawn from the war by the end of the year. But fortune has changed now, and the tide is starting to rise against the Huns. In Russia and North Africa the fortunes of war have turned against Germany. Allied armament will soon be better than Germany's. In the coming struggle there will be three phases:

1. A period of consolidation to gather forces while fighting in defense.
2. A phase of liberation in which the nations oppressed up to that time will be freed with the aid of revolts; the Allies will appear in these areas with overpowering strength.
3. Attack on the citadels and capitals of the guilty nations of Europe and Asia.

The speech is given in detail in Political Review No. 306, Paragraph 1.

U.S.A.:

Reports from Argentina, Brazil, and Chile are mainly concerned with conferences in preparation for the Conference of American Foreign Ministers at Rio beginning on 15 Jan.. How far Argentina, Brazil, and Chile can remain independent in the face of the U.S. aims of consolidation remains to be seen. The Argentine government intends among other things to patrol the Atlantic coast independently, i.e., without the support of other fleets, and to limit operation of her fleet to this one activity. The Chilean fleet, possibly supported by the Argentine Navy but by no other South American forces, is supposed to take over protection of the Straits of Magellan and the Pacific coast of Chile. For further plans see Political Review No. 306, Paragraphs 3, 4, and 5.

China (Nanking):

According to an Embassy report, the capture of Hong Kong is stressed in Chinese publicity as a victory for the concept of Greater Asia. The Japanese give free rein to this propaganda, but meet Chinese requests to share the fruits of the Japanese victory with little enthusiasm.

India:

Presumably considerable differences of opinion arose between Ghandi and the rest of the Congress Party over the question of India's attitude toward Japan and led to Ghandi's withdrawal.

Conference on the Situation with Chief, Naval Staff.

I. The Naval Staff, Fleet Operations Section reports on the proposal of Group North to strengthen the PT boat and motor-minesweeper units in northern Norway, which unfortunately can not be followed at present. The Chief, Naval Staff points out that the proposal of the Group will have to be considered in any case when this area is threatened more strongly by the enemy, particularly since light vessels operating from Narvik will always have prospects of success. Group North's request to the 5th Air Force for strengthening air units in the northern Norwegian area should be supported by the Naval Staff at Commander in Chief, Air. The Chief, Naval Staff furthermore permits the diversion of one submarine from the Azores group to bring in the important steamer ELSA ESSBERGER which is loaded with rubber.

II. The Chief, Quartermaster Division, Naval Staff reports on Diesel oil in Norway, which is being supplied as planned. Among other things a large dump of 20,000 tons is to be stocked in Trondheim. The allocation of raw materials was not discussed by the Commander in Chief, Navy at the Fuehrer conference of 29 Dec.. The Chief, Ordnance Division, War Economy Branch, High Command, Navy is to discuss this problem at the Armed Forces High Command. The Naval Staff, Quartermaster Division also reports about the request of Group South for an accelerated and increased naval barge construction program at Varna (see War Diary 28 Dec.). The matter will be handled further by the Naval Staff, Quartermaster Division in agreement with the Naval Staff, Operations Division as part of plans for the production of more small naval vessels in the southeast area.

III. As to the question of how the reception of the crew of ship "16" is to be handled by the press, the Chief, Naval Staff, acting on suggestion from the Naval Staff, Operations Division, decides that on the occasion of awarding the Oak Leaf Cluster to Captain Rogge a general statement is to be made concerning the special character and significance of auxiliary cruisers. No specific mention will be made of ship "16" or of other auxiliary cruisers so as to avoid giving helpful hints to the enemy. Aside from this operational point of view, it is out of the question to stress the specific achievements of the ship commanded by Captain Rogge, considering the performance of the other successful auxiliary cruisers and their commanders and crews, some of whom have been killed in the line of duty.

IV. The Fuehrer's directive of 29 Dec., according to which an effort is to be made to divert as many Italian submarines as possible for transport of supplies to North Africa, will bring real results only when these submarines have been converted for their new function. Italian shipyard facilities needed in this connection can be obtained only at the expense of the number of German submarines operating in the Mediterranean. Further action on this score is being

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taken by the Naval Staff in agreement with the other offices concerned. The Chief, Naval Staff orders that an attempt be made by the Naval Staff to influence among others Admiral Bartoldi in favor of the desired assignment to transport duty.

V. Admiral Riccardi has expressed his acceptance of 14 and 15 Jan. as the new date for a conference with the Commander in Chief, Navy.

VI. War Diary, Part C, Vol. XV contains the regulations of the Naval Staff concerning authority in matters pertaining to cooperation with Japan (1/Skl. I op a 29715/41 Gkdos.).

Situation 31 Dec. 1941

I. War in Foreign Waters

1. Enemy Situation:

According to a bulletin issued by the U.S. Navy Department, Admiral E. J. King took over the position of Commander in Chief of the Fleet on 30 Dec.. He has over-all command of the operational units of the various fleets in the U.S. Navy and the operational forces of the Coast Guards. He is directly responsible to the President. Until further notice the main office will remain in the Navy Department. (See Radiogram 1520.)

South Atlantic:

The Attache at Rio reports that U.S. air bases in eastern Brazil will be ready for operation at the earliest in the beginning of February. BIRMINGHAM arrived at Rio, U.S. cruiser CINCINNATI arrived at Pernambuco. A submarine warning was issued for the area 180 miles southwest of Freetown. Our submarines are not involved in this. Auxiliary cruiser CIRCASSIA was informed of the arrival of various steamers in Curacao.

2. Own Situation:

Radiogram 2121 contains instructions to motor ship PORTLAND concerning the request of the Japanese to await Japanese escort vessels at daybreak 3 miles west of Echizenzaki, instead of 2 miles west of Hinomisaki. Naval Attache, Tokyo is to be notified.

Information on enemy situation in Radiogram 1143.

When the crew of ship "16", which has been in the Le Verdon roadstead since 30 Dec., arrives in Berlin on 3 Jan. 1942, the Naval Staff will consider the request made by ship "10" to have the gunnery officer of ship "16" assigned to them for a short time to inform them about the experiences on his vessel. On the basis of what happened on ship "16", permission is granted to the 1st Officer of ship "10" to go to the naval yard at Bordeaux in order to procure arma-

ment. Ship "10" is informed that no further requests for supplies and equipment are to be made, emergencies excepted. Communication with various shore bases constitutes a threat to security. The vessel must be ready to depart on short notice beginning 3 Jan.

II. Situation West Area

1. Atlantic Coast:

The entrance to La Pallice was temporarily closed because aerial mines were suspected. According to a report from the 4th Defense Division, British aerial mines are not involved, but rather British drift mines attached to parachutes, which were also seen in the Gironde near Pauillac. Otherwise nothing to report.

2. Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

At noon radio intelligence intercepted a British aircraft report concerning the sighting of five merchant ships near Den Helder; during the evening additional messages were intercepted reporting sighting and evidently locating some of our PT boats.

Own Situation:

Nothing to report.

2. Norway:

Enemy Situation:

An agent's report states that at noon five large and four small submarines and several warships were seen off Nordkyn. According to the opinion of the Admiral, Arctic Coast, confusion with one of our convoys is possible and probable.

Own Situation:

Investigation of Kirke Fjord revealed no more enemy forces. The 8th Destroyer Flotilla and the 8th PT Boat Flotilla together with the LUEDERITZ are bound for Narvik from Tromsø. The enemy action caused the following losses in Vest Fjord: A total of thirty five men missing; in the Nord Fjord: Nine killed, fifty four missing, and five wounded.

War Diary, Part C, Vol. IIa contains the report by the Commanding Admiral, Norway on the experiences made in the enemy operations of 26 to 29 Dec., and the conclusions which have been drawn (1/Skl 30278/41 Gkdos.).

The Commanding Admiral, Norway requests that submarines newly assigned to his area be provided with minelaying equipment (see Radiogram 0845).

The opinion of the Commanding Admiral, Norway on the War Diary of submarine U "576" concerning ice conditions and shipping in the Arctic Ocean in winter is corrected by the Naval Staff. According to previous experience, it is not true that the entrance to the White Sea freezes to the point where all shipping traffic must cease. Actually traffic can be maintained by strong vessels and with the help of icebreakers, so that submarine operations in winter against Russian supply routes in this area can be considered.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea:

Further search for minesweeper M "557" remained fruitless.

According to instructions from the Naval Staff, Quartermaster Division, Shipping and Transport Branch acting on suggestion from Group North (see War Diary 28 Dec.), Reval is no longer a port of debarkation. Transports for the 225th Infantry Division will be sent to Riga, and transports to Finland from Stettin to Abo. The Army High Command urgently requests that Reval be retained as a port of debarkation in spite of the risk, and requests that a decision be made by the Fuehrer. The decision comes through Captain von Puttkamer. The Fuehrer decides that debarkation is to take place in Riga.

The War Diary of the Commander, Minelayer Group COBRA from 16 to 31 Aug. was forwarded by the Commanding Admiral, Cruisers without comment. This diary reports on the two reinforcement barrages layed off Juminda on 20 and 26 Aug. and gives an indication of the first effects of this successful barrage. The Naval Staff, Operations Division on 17 Nov. 1941 had expressed itself as follows in this connection:

"The preparation and laying of the Juminda mine field can be considered a classic example of a well-planned mining operation. It represents the climax of mine warfare by the Navy in its fight against Russia. The success is to be attributed first of all to the commanding officers and men of the units concerned. These executed the Juminda minelaying operations with considerable effort in a resolute and business-like manner. As rarely happens, in this case the efficacy of a barrage was demonstrated before our very eyes, and its devastating effect was evident. The extent of its effect cannot yet be fully estimated. However, approximately forty Russian merchant and naval vessels sank in the mine field up to now, under simultaneous attack from the Air Force and coastal artillery. Thus it is fulfilling its purpose of blocking the Reval-Kronstadt route.

"The planning and laying of the Juminda barrage deserve some day to be listed as a special event in the annals of German naval warfare."

The Chief, Naval Staff raised the question as to who planned the Juminda mine field. In reply the Chief, Operations Division called attention to the constant close contact, both personal and by telephone, between the Naval Staff, Mine Warfare and Anti-Submarine Section and Group North arising out of the basic instructions concerning the use of mines in the Baltic theater of war. One of the results was the repeated discussion of the problem of keeping our measures in pace with Army operations; consequently Group North ordered the first actual plans on 6 August, and directed the Commander, Torpedo Boats to mine the Russian route in the Juminda area immediately. Further plans and the laying of the first barrage were in the hands of the Commander, Torpedo Boats and the Commander, Minelayer Group COBRA. Later plans to strengthen the barrage were worked out partly by the Naval Staff, Operations Division, partly by Group North, and partly by the Commander, Torpedo Boats, depending on the situation. The Commander, Minelayer Group COBRA, Lt. Comdr. Dr. Brill (Reserve), was mainly responsible for executing the barrages. Acting on the suggestion of the Chief, Naval Staff, the Fuehrer decorated Brill with the Knight's Cross of the Iron Cross.

V. Merchant Shipping:

According to the latest information of the Naval Staff, Intelligence Division, during the period from 1 July 1939 to 1 Oct. 1941, i.e., twenty seven months, 308 vessels totalling 1,777,895 BRT were produced and delivered in Britain and in the U.S. for Britain. This includes thirty nine tankers totalling approximately 300,000 BRT. These figures check fairly closely with the over-all tonnage estimated by the Naval Staff, Intelligence Division, but are especially important because they give additional detailed information, particularly concerning the centers of ship construction industry in the Clyde and in Sunderland. A monthly production of 80,000 to 100,000 BRT must be reckoned with in 1942. For a detailed statement with the names of the new ships and shipyards covered see No. 36/41 of the "Foreign Merchant Shipping" series issued by the Naval Intelligence Division.

VI. Submarine Warfare

1. Enemy Situation:

Radio intelligence picked up a message from transmitter Valencia concerning sinking of British motor tanker CARDITA in 59° N 12° 50' W (approximately 90 miles west of Rosemary Bank). One of our outbound submarines may be responsible. Radio decoding reports that a convoy left Gibraltar in the afternoon in westerly direction.

2. Own Situation:

Report in War Diary, Part B, Vol. IV.

VII. Aerial Warfare1. British Isles and Vicinity:

Light reconnaissance activity on south and southwest coasts of Britain with nothing particular to report.

2. Mediterranean Theater:

For reports of reconnaissance, see Warfare in the Mediterranean, Enemy Situation.

3. Eastern Front:

Usual operations in support of the Army.

4. Special Items:

For objections raised by Group North to the fact that reconnaissance reports of the 3rd Air Force are channelled via Group West (Cf. War Diary 30 Dec.) see Radiogram 0939. The matter has been rectified by the Naval Staff.

VIII. Warfare in the Mediterranean1. Enemy Situation:Western Mediterranean:

According to Spanish reports, many ships of unannounced types passed Alboran Island on 30 Dec. in easterly direction.

Central and Eastern Mediterranean:

On 30 Dec. one torpedo boat and one minelayer were sighted 12 km. off Bardia and were shelled by a coastal battery. On 31 Dec. at 0925 five cruisers or destroyers were east of Bardia and shelled the coast. At 0950 Italian air reconnaissance reported one battleship and two cruisers 15 miles northwest of Marsa Matruh, course 150°.

2. Own Situation:

The 3rd PT Boat Flotilla returned to port of operations after completing mining mission.

3. Situation Italy:

The torpedoed motor ship CITTA DI MARSALA was brought into Argostoli. During an enemy air raid on Tripoli on 29 Dec., the steamer ANNA MARIA was partly sunk. The Supply and Transport Office at Bardia reports that since 0430 the fortress has been under heavy enemy fire. At 1300 the enemy moved up to two kilometers from Upper Bardia. At 1530 the attack was brought to a halt.

4. Transport of Supplies to North Africa:

On the occasion of the report of the Chief, Naval Staff on 29 Dec., the Fuehrer stated that supplies and reinforcements to North Africa by means of Italian transport submarines is of decisive importance. The submarines engaged in this operation are to continue, and every effort is to be made to increase their numbers, if necessary at the expense of repair facilities for German submarines. The German Naval Command, Italy and the Commanding Admiral, Submarines are being informed. The former is ordered to proceed accordingly in the future (Cf. conference on the situation with the Chief, Naval Staff, Paragraph 4). The problem will be dealt with also at the conference of the Commander in Chief, Navy and Admiral Riccardi on 14 and 15 Jan.

Nothing to report concerning transport movements on 31 Dec.

5. Area Naval Group South:Aegean Sea:

From 2145 to 0245 during the night of 30 Dec. enemy air raids on Salamis, Eleusis, Kalamaki, and Tatoi. One equipment dump of the 23rd Submarine Flotilla in Salamis was burned out. The "Siena" squadron entered Suda on 30 Dec.

The Commanding Admiral, Aegean Sea, with the approval of the Naval Staff and Group South, has issued directives pertaining to the increasing ship traffic and gradually growing anti-submarine activity in the Aegean Sea. War Diary, Part C, Vol. IV contains a copy of the telegram sent for the information of the Supermarina and the German Naval Command, Italy (1/Skl op 2142/4 Gkdos. Chfs.).

Black Sea:Enemy Situation:

According to air reconnaissance, there was no ship traffic between Eupatoria and Sevastopol.

Own Situation:

Nothing to report.

According to a report from the Naval Commission, Rumania, the condition of the four Rumanian destroyers is so bad that adequate repairs are possible only if material is brought from Germany. Group South requests that these destroyers be given a priority equal to that for German vessels, since they represent the only forces capable of action in the Black Sea. At the moment it is out of the question to use them for the execution of planned mining operations (see Radiogram 1620).

The Naval Staff, Quartermaster Division will take the necessary measures.

The Naval Staff supports requests of Group South (Cf. War Diary 16 and 28 Dec.) concerning accelerated construction of naval barges

and delivery of PT boats and motor-minesweepers in the spring (Directive I op 30038/41 Gkdos.). Copy in War Diary, Part C, Vol. XIV.

The Naval Staff also gives support to the request of Group South to make up for the fact that the production of Rumanian submarines was held up due to delayed deliveries and various changes by sending these boats on operations as early in 1942 as possible. The Naval Staff also supports the transfer of the Finnish submarine to the Black Sea if the boat is suited for the purpose. War Diary, Part C, Vol. XIV contains a copy of the directive to the Naval Staff, Quartermaster Division (1/Skl 30142/41 Gkdos.).

6. Situation Turkey:

According to a report from the Naval Attache, Istanbul, Anglo-Turkish military cooperation exists only in the sense that the Turks take what they can get, but are prepared to make returns only to a very small extent. A copy of the report of the Attache as requested by the Naval Staff through the Naval Attache Section is in War Diary, Part C, Vol. XIV (1/Skl 30142/41 Gkdos.).

IX. Situation East Asia

1. Enemy Situation:

Military Attache, Bangkok reports that General Wavell has been assigned to command the Burma front. Reinforcements have arrived in Malaya from India. Heavy Japanese air attacks took place at Medan (Sumatra), as well as on Celebes and in New Guinea. Strength of British troops in northern Malaya estimated at 50,000 men. Aerial traffic from Britain to Australia and New Zealand is to continue on a different route.

2. Situation Japan:

The U.S. island Jolo between Borneo and the Philippines was occupied. According to a report from the Japanese Headquarters, enemy submarines have begun to block the approaches to the Hawaiian Islands. In the period from 22 to 28 Dec., the Japanese Air Force destroyed a total of fifty six enemy planes near Borneo, in the South China Sea, and in the Sulu and Celebes Seas. It is probable that Japanese vessels are near Alaska.

X. Army Situation

1. Russian Front:

Southern Army Group:

Attack of the LIV Army Corps near Sevastopol advanced only slowly. Rumanian mobile units were preparing to counterattack with

parts of the 46th Infantry Division. Because of bad weather, there were only smaller skirmishes on the 1st Panzer Army front. At the sectors of both the 17th and the 6th Armies enemy attacks were repulsed.

Central Army Group:

An enemy penetration at the junction of the Army Groups was cut off. Enemy attacks were repulsed at Tim, Droskovo, and Byelev. At the 296th Infantry Division many casualties due to freezing. Severe enemy attacks along the whole of the Moscow front. All but two penetrations were repulsed.

Northern Army Group:

Counterattacks of the 61st Infantry Division not yet terminated. Otherwise the situation remains unchanged.

2. Finnish and Norwegian Front:

Nothing to report.

3. North Africa:

The enemy withdrew en masse in the Saunnu-Attelat area. A Polish brigade was brought up closer to the Agedabia position. The Panzer Group conducted increased reconnaissance operations in the direction of Saunnu-Attelat. After a three-hour artillery barrage, the enemy attacked Bardia fortress, supported by air and naval forces. In view of its few defensive forces, the fall of the fortress must be counted on. In the period from 19 Nov. to 31 Dec., a total of 1,246 enemy tanks and armored cars and 271 planes were destroyed. The enemy is paying dearly for his success.

GLOSSARY FOR DECEMBER 1941

A B C D Powers

This refers to America, Britain, China, and the Dutch East Indies.

Barbarossa

Cover word for the invasion of Russia in June 1941.

Bernardo

Cover name for a secret German submarine supply base at Vigo, Spain.

Blau 16

A reference point on route "80" (see below) at 57° 18.4' N; 21° 16.7' E.

Blau 18 A

A reference point on route "80" (see below) between Memel and Riga.

C mine

See EMC mine.

Deutsche Werft

A German shipbuilding company in Kiel.

DNB

Deutsches Nachrichten Bureau, the official German news agency.

Domei

Japanese news agency.

EMC mine

Standard mine Type C; a contact mine against surface vessels.

Etappe

Secret German naval organization for providing German naval units with information and supplies from foreign bases.

Europapress

Semi-official German news agency.

Fab XI

A combination magnetic and acoustic firing device for mines.

Gata

Cover name for secret German submarine supply base in Spanish waters at 36° 32.25' N, 6° 15.7' W (off Cadiz, Spain).

Kuhlemeyer car

A specially constructed platform car, suitable for accommodating very heavy loads. Such cars were built by the Kuhlemeyer Manufacturing Company.

LM

Parachute mine.

Type blue: With regular polarity magnetic firing device.

Type red: With reversed polarity magnetic firing device.

Type green: With acoustic firing device; has stripping prevention equipment (GE) and period delay mechanism (Z.K.).

Mark XIV mine

A British contact mine consisting of a center belt 8 inches wide and two hemispheres 40 inches in diameter, which are welded to the former.

Mark XVI mine

A British contact mine similar to the Mark XIV mine. It consists of a center belt 4½ inches wide and two hemispheres 40 inches in diameter, which are welded to the former.

MFP (Marinefaehrprahm)

Multi-purpose vessel similar to the American LCT. Had an average displacement of 300 tons. Used as ammunition carrier (Munitionsfaehrprahm), landing craft, naval transport, artillery transport barge (Artilleriefahrprahm), small troop transport, etc.

News Analysis "Foreign Navies" (Nachrichtenauswertung "Fremde Marinen")

A daily analysis of foreign newspaper reports concerning foreign naval news, compiled by the Naval Staff, Intelligence Division (3/Sk1).

News Series "Foreign Merchant Shipping"

A series of condensed data concerning foreign merchant shipping; compiled and published periodically by the Naval Staff, Intelligence Division (3/Sk1).

PELAGOS

A German supply and repair ship stationed in Narvik, Norway.

Political Review

A daily review of political developments abroad published by the Naval Staff, Intelligence Division (3/Sk1).

Route "Anton" (Weg Anton)

A certain route to be taken by enemy ships taken as prizes by the Germans, when being brought into German or German occupied ports. Geographical borders of route "Anton": The French coast to 47° 30' N; 47° 30' N, 29° W; 43° N, 40° W; 37° N, 40° W; continued on 37° N; south and east chop is submarine operations zone.

Route "80" (Weg 80)

Mine-free German deep-water shipping route in the Baltic Sea from Swinemuende to Riga.

Route "Lila" (Weg Lila)

Mine-free German shipping route to the west of route "Rosa" (see below), branching off "Rosa" near Ostende and rejoining it near Calais.

Route "Rosa" (Weg Rosa)

Mine-free German coastal shipping route through the Channel, beginning off Blankenberghe, Belgium and ending off the island of Ouessant west of Brest, France.

Seeloewe

Cover name for the planned invasion of England.

Specht (Punkt Specht)

A reference point for the German blockade-runner SPREEWALD home-ward bound from Japan, located at 7° 30' N, 39° 35' W (off the northern coast of South America).

Staatsrat

An honorary title.

Supermarina

The Italian Admiralty.

Tanks II, III, IV (Pz Kpfw II, III, IV)

Type II: Light tank, from 11.5 to 13.2 tons depending on model.

Type III: Medium tank, approximately 24.6 tons.

Type IV: Medium tank, 26 tons.

TMB mine

Torpedo mine Type B, a magnetic ground mine.

Todt Organization (O.T.)

A construction organization (named for the founder), which built the German superhighways, the West Wall, and the Atlantic fortifications. It employed domestic and foreign labor on military projects in Germany as well as outside Germany.

