

Japan received wartime secrets through Melbourne

Japanese diplomats under house arrest in Melbourne spied on Australia after the outbreak of war and managed to transmit their reports back to Tokyo in 1942 through a collaborator in Australia.

The intelligence included Australian troop movements, armaments and munitions manufacture, manpower problems and details of Australia's war effort generally.

The new history, '*Saving Australia, Curtin's secret peace with Japan*', describes how the first Japanese ambassador to Australia, Tatsuo Kawai - who led the spying activities in Melbourne - went on to devote the later years of his life to Japanese-Australian friendship and to the wartime leader John Curtin, whom he called 'one of my best friends'.

The book, written primarily from sources and documents discovered in Japan, also reveals that the attorney-general and foreign minister, Herbert 'Doc' Evatt, in 1942 unwittingly compromised Australia's national security by his 'hands off' treatment of Japanese diplomats.

Tatsuo Kawai, a strident expansionist, had been the official foreign spokesman for Japan in Tokyo and then a roving ambassador in Europe, including Nazi Germany, before taking up the newly created Australian post in March 1941.

Kawai set up his headquarters in Melbourne, then base for Australia's armed forces and defence ministries. He lived at *Carn Brea* in leafy Auburn and before the war in 1941 entertained politicians, newspapermen, judges and industrialists with elaborate dinners at the mansion, which was complete with a two-storey ballroom and tennis courts in its park-like grounds.

After the war declaration, minister Evatt issued orders insisting on scrupulous courtesy and respect of diplomatic privilege for ambassador Kawai his diplomats under a loose form of house arrest at *Carn Brea*. More than 25 Japanese were ensconced at the big house, the single officers in bunks in the timber-panelled ballroom.

Security at *Carn Brea* was lax. Although guards were posted at the gate, neighbors reported to the Commonwealth Security Service that the Japanese had been seen slipping over the back fence. The neighbors were admonished for not minding their own business.

One of the Australian security officials at *Carn Brea*, berated by superiors for slackness, agreed that in future he would reprimand any Japanese who left the property without authorisation. At one stage a police constable who couldn't make himself understood by the Japanese, left his post outside the estate and strolled the streets with two Japanese men.

The Japanese under house arrest had been asked to voluntarily hand over their radios, remove radio aerials and not use their cars. But they were allowed to keep their movie and still cameras and were escorted to the Kodak shop in the city to have their film developed. "The Japanese Minister and his staff... amuse themselves within the grounds of the house by taking photographs which are necessarily quite harmless" a security report at the time explained.

But the Japanese activities at *Carn Brea* were far from harmless. The Japanese officials took their cameras and film back to Japan, complete with a wealth of intelligence information not transmitted by the collaborator. On their departure, their luggage would not be searched.

The Japanese officials in Melbourne also were escorted on visits to doctors, hairdressers and on shopping trips. But not all the trips were escorted. Kawai's second in charge and friend, the Melbourne consul Tsuneo Hattori, would visit the Swiss consul unescorted. Many years later in an ode to Kawai, Hattori was incredulous at the slackness of Australian security measures in 1942: "They would give me a bicycle so I could make the trip to the Swiss Consulate, and we were also allowed to read as many of the staff newspapers, magazines or documents as we liked."

It was Evatt who insisted, ignoring Military Intelligence opposition, that Kawai and his diplomats could visit the Swiss intermediators without escorts.

Kawai was allowed to communicate with anyone in English for some months after the start of the war. He could write letters, send cables and make telephone calls, but they were monitored. With the two countries at war, Kawai exchanged the most courteous letters with the Chief Justice of the High Court, Sir John Latham, who had been Australia's first minister, effectively ambassador, to Japan.

"Dear Sir John, I share with you the feeling of great regret that peace was not preserved between our countries. However, there is a natural link between Japan and Australia which a temporary set-back cannot put asunder. Let us try our utmost when opportunity comes again."

As part of Kawai's intelligence operation, he set his staff to work sifting intelligence from the vast quantities of recent books, maps and reports obtained just before the war on Australia and the islands to the north.

They also gleaned substantial information from Australian newspapers which, despite wartime censorship, gave away much military information. Diplomat Tsuneo Hattori later wrote that Kawai kept staff busy gathering information:

"Tatsuo spent the weekdays giving the arrangement of business affairs, writing of records, and research topics to staff, listening to and inspecting the course of events himself, acting with prudent consideration so as to not for a second take lightly his job under these extraordinary conditions."

Kawai's intelligence role was confirmed by the tall and elderly Taijiro Ichikawa, Kawai's long-time friend and commercial secretary in Canberra in 1941. During an

interview with the softly spoken Ichikawa in his house at Tsujido in 2002, the old man told author Bob Wurch of the use of a collaborator in Australia. Ichikawa, then 96, had a good long term memory and clearly recalled people and events while the diplomats were under house arrest:

“We worked ... with a few of the other Embassy staff to prepare a report about Australia which was submitted to the Foreign Minister (Togo) when we came back to Tokyo. The report was a general view of Australia. If I remember rightly, Kawai-san expected war prior to Australia. (He) prepared a report and submitted it to a certain collaborator and we finished the first and last report in Japan when we returned.”

Ichikawa said the report was “just general on Australia” and indicated by his manner that he wouldn’t discuss it further. He died in 2004.

While in Canberra, according to Commonwealth Security Service archives, Ichikawa maintained close contact with a British-born Japanese agent based in Brisbane. Harry Woodfield, an oil technologist, was not imprisoned until March, 1942, when he then demanded improved prison facilities and be treated like an enemy officer.

The senior Army Intelligence officer in Melbourne, Colonel Austin Laughlin, in 1951 revealed that Tatsuo Kawai “did personal espionage tasks on a higher plane” than his subordinates. On one occasion he said Kawai used a “polite and suave” male secretary to gather intelligence just before the outbreak of war. Laughlin said the secretary left the notebook in a taxi and the taxi driver took it to Victoria Barracks. A Commonwealth Investigation Service document, circa 1946, revealed the find:

“In 1941, a notebook belonging to the Secretary of the Japanese Minister to Australia was found to contain detailed notes on England-Australia relations, Australia’s war effort and main industries, including munitions and aircraft production, manpower problems etc.”

Laughlin in 1951 said authorities “examined the notebook very thoroughly and found therein a mass of very useful information relating to Australia’s war industries...”

Evatt respected Kawai. After Labor took power in October 1941, Evatt had met frequently with Kawai in an effort to maintain the peace. *Saving Australia* reveals that Evatt was highly sympathetic and understanding of the causes driving Japan towards war. Evatt opposed international sanctions against Japan and as late as November 1941 stated in Parliament that the threat of warlike motives from Japan was greatly exaggerated. Evatt’s own leader, John Curtin, had been among those urgently warning the nation of the Japanese threat.

On February 23, soon after the first air raids on Darwin, Kawai took umbrage at his treatment under house arrest. Military Intelligence had ended Kawai’s newspaper deliveries to *Carn Brea*. When Kawai complained to Evatt, the attorney general intervened and directed that the deliveries be restored, but only after Kawai’s verbal undertaking that he would not communicate to his Government anything gleaned

from the newspapers “to the detriment of Australia or the benefit of the Axis countries.”

Although censorship of Australian newspapers was tightened from early 1942, since 1939 Australian newspapers had provided enemy agents with an endless supply of useful intelligence, including the location of plants making explosives and bomber parts and the sites of military airstrips. Kawai professed “profound indignation” at his newspaper deliveries being cut and refused to issue any personal guarantees:

“I am proud to say that, ever since my assumption of diplomatic mission in this country, I have carried out my duties in honorable manner. That I have never been a party of any harmful course to the interests of our two countries must have been appreciated by you and your Prime Minister.”

Evatt couldn't see any reason for withholding the newspapers, provided Military Intelligence was satisfied that the Japanese could not send home secret communications. Major General Alan Steele in Melbourne was far from satisfied, saying strategic information could be gleaned from newspapers. Steele was concerned about intelligence getting back to Japan through agents and tartly added: “the Minister's personal sense of propriety may not be shared by all those who would have access to the newspapers.” Evatt's reaction was astounding. Not only did he restore the newspaper deliveries but he also apologised in writing to Kawai:

“I can assure you that I greatly regret what was done and agree that, while in this country, you have carried out your duties in a manner which is entirely honourable and above suspicion.”

Frustrated, General Steele said the supply of local newspapers to enemy nationals, who in all probability would be returning to Japan, should be stopped: “...the disclosure of actual Military information threatens the security of our own forces, and the forces of our Allies in Australia.” The Army Department told Evatt's ministry: “Mr Kawai and his colleagues should not go away carrying too precise a recollection of current Australian conditions.” But Evatt remained unmoved.

Next day the Deputy Chief of the General Staff, Major General S.F. Rowell, called on Army Minister, Frank Forde, to intervene, noting that even illustrations of an Australian tank had appeared in the Press. But nothing happened.

Evatt's trust was naïve and misplaced. The Japanese had established an effective research and newspaper cutting service. Kawai's library was a ready reference source. Titles purchased in mid to late 1941 included *Second World War Map, Lesson of London, London Front, Secret War, Modern Navy Strategy and Central Australia*.

Ichikawa added to the book collection. Miss D. Hawthorne was the senior sales assistant at Verity Hewitt's Bookshop at Civic in Canberra in 1941. Belatedly, after war broke out, she wrote to the Crown Solicitor saying that she had supplied Ichikawa with a great many books that seemed to her to be “of great military importance” to Kawai:

“I never shared the impartiality of the management in this matter and resented what seemed to me insolence in orders for such books as ‘Our Great Empty Spaces’ and ‘New Zealand from the Air’, ‘British Fighter Planes’ and ‘Grenade Throwing’. On hearing his chuckle as I delivered to him the last of these, my national pride came to a head and I resigned my position...”

In Japan Kawai was known by friends and family alike as “a man of two faces”, implying two distinct characters. In *Saving Australia*, Wurth writes that Kawai had become so close to Prime Minister John Curtin that nine days before the outbreak of war he tipped off Curtin that the momentum for war in Japan was “too great”.

The day before warning Curtin, Kawai and colleagues had taken a pleasure launch trip on Sydney Harbor. The skipper of the boat *Plover* later said the Japanese cruised to Cockatoo Island dockyard where a fast new destroyer, *HMAS Warramunga*, was nearing completion. The Japanese asked to move in much closer so they could get a better look but the skipper refused.

There were no harbor defences, ship building or loading that Kawai’s party could not view. The officer in charge of the Commonwealth Security Service in Sydney, Captain B. Tyrrell, was outraged at the Curtin Government’s slackness about security. Tyrrell thought Kawai was making a fool of the Australians. In a fury, he wrote a damning report: ‘To undertake such an excursion at this time is either calculated insolence or a test of our Intelligence. The incident emphasises the moral victory of the Axis partner. The Australian Government tacitly admits that Japan can be a full Axis partner and at the same time be a free and independent agent to be accorded all due rights and privileges.’

The day after meeting Curtin in Canberra, Kawai toured the Port Kembla steelworks with Japanese, including a known diplomatic spy.

Kawai and his staff were repatriated to Japan on a diplomatic exchange. The Secretary of the Army Department, F.R.Sinclair, noted that the Japanese Government had secured the return to Japan of just those persons who were best equipped to support Japan with complete information about conditions in Australia and her territories.

Before Kawai and his diplomat staff sailed from Port Melbourne in August 1942, Kawai issued an extraordinary statement, saying he had failed in his mission to Australia and was returning to Japan a bitterly disappointed man:

“I realised there were vital matters in dispute, but always hoped that our two countries would find some way of preserving peace. The outbreak of war was the greatest blow I have received in my life. Those Australians who know how I struggled to avert war in the Pacific will understand when I say my spirit has been broken.”

There was nothing false about Tatsuo Kawai’s *mea culpa*. On his return to wartime Japan Kawai called on Japanese not to hate Australians and was promptly dumped from the Foreign Office. Towards the end of the war he worked with liberal Shigeru Yoshida towards peace. Immediately after the war Kawai was made Vice

Minister for Foreign Affairs. He devoted the rest of his life as president of the Japan Australia Society to trade and friendship between Australia and Japan.

In 1959, Kawai visited John Curtin's widow Elsie at her house in Cottesloe, Perth, prayed at the graveside of Curtin and then went surfing with the Curtin family. The two families kept in touch, exchanging cards, photos, gifts and visits for generations.

The former governor general Sir William Deane wrote that *Saving Australia* was an extraordinary and sometimes moving story: "I found the book an absolutely fascinating one which filled many serious gaps in my own knowledge about some of the most critical days and aspects of our Australian story."

Saving Australia, Curtin's secret peace with Japan, is published by Lothian Books.

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