APPENDIXES

I

THE CASE OF THE U. S. S. "PANAY," DECEMBER 12, 1937

[Press Releases, Vol. 17, Nos. 429 and 430]

The Secretary of State last night (Dec. 12, 1937) sent a preliminary instruction to the American Ambassador to Japan, Mr. Joseph C. Grew. The preliminary instruction read as follows:

"Telegrams from Hankow indicate that yesterday and today American and British naval and merchant vessels at various points on Yangtze above Nanking were repeatedly fired on and bombed. A Japanese source is reported to have stated at Wuhu that Japanese military forces have orders to fire on all ships on the Yangtze. Today the U. S. S. Panay and three Standard Oil steamers at point twenty-seven miles above Nanking are reported bombed and sunk and survivors—including Embassy personnel, Navy personnel and some refugees—are now at Hohsien. Please immediately inform Foreign Minister Hirota, ask for information, and request that Japanese Government immediately take appropriate action. Impress upon him the gravity of the situation and the imperative need to take every precaution against further attacks on American vessels or personnel.

“When we have further particulars I shall give you further instruction.”

Ambassador Joseph C. Grew today reported to the Secretary of State from Tokyo, as follows:

“The Minister for Foreign Affairs has just called on me in person at the Chancery and has informed me of the receipt of a Domei report from Shanghai that in following fleeing remnants of the Chinese army Japanese planes had bombed three Standard Oil vessels and had sunk the U. S. S. Panay
while in the close vicinity on the Yangtze above Nanking. The Minister said that he had as yet received no official report but that he had come immediately to express to our Government the profound apology of the Japanese Govern-ment and that Ambassador Saito would do the same to you. He said that Admiral Hasegawa had accepted full responsibility for the accident. He said that immediately after my visit this morning he had communicated my representations to the Japanese naval and military authorities. Hirota said 'I cannot possibly express how badly we feel about this.' The Navy and War Ministers have sent similar expressions of regret to the Navy and War Departments in Washington through the Naval and Military Attachés here.'

When the Secretary of State saw the President today just prior to his meeting with the Japanese Ambassador, at the Department of State, the President gave Secretary Hull the following memorandum:


"Memorandum Handed to the Secretary of State at 12:30 p. m., December 13, 1937

"Please tell the Japanese Ambassador when you see him at one o'clock:

"1. That the President is deeply shocked and concerned by the news of indiscriminate bombing of American and other non-Chinese vessels on the Yangtze, and that he requests that the Emperor be so advised.

"2. That all the facts are being assembled and will shortly be presented to the Japanese Government.

"3. That in the meantime it is hoped the Japanese Government will be considering definitely for presentation to this Government:

"a. Full expressions of regret and proffer of full compensation:

"b. Methods guaranteeing against a repetition of any similar attack in the future.

"F. D. R."
Secretary Hull informed Ambassador Saito of this instruction from the White House at 1 o'clock, December 13, 1937.

The Japanese Ambassador called upon the Secretary of State at 1 o'clock this afternoon. He informed the Secretary that the Foreign Minister of Japan, before receiving official reports concerning the bombing and sinking of the U. S. S. *Panay*, called upon Ambassador Grew in Tokyo and offered regrets.

The Japanese Foreign Minister had instructed Ambassador Saito that reports were to be given to the Secretary of State. The Ambassador was also instructed to extend full regrets and apologies which he came to the Secretary to do.

The Ambassador added that the American authorities had informed the Japanese authorities of the position of the American vessels and that therefore the bombing was a very grave blunder.

The Ambassador said further that the Japanese authorities were trying to furnish relief to the survivors at Hohsien, but that the place is one where Chinese and Japanese troops are fighting and that it was a difficult matter to get relief to them.

The Secretary of State last night instructed the American Ambassador to Japan, Mr. Joseph C. Grew, to communicate to the Minister for Foreign Affairs of Japan the following note:

"The Government and people of the United States have been deeply shocked by the facts of the bombardment and sinking of the U. S. S. *Panay* and the sinking or burning of the American steamers *Meiping*, *Meian* and *Meisian* by Japanese aircraft.

"The essential facts are that these American vessels were in the Yangtze River by uncontested and incontestable right; that they were flying the American flag; that they were engaged in their legitimate and appropriate business; that they were at the moment conveying American official and private personnel away from points where danger had developed; that they had several times changed their position, moving upriver, in order to avoid danger; and that they
were attacked by Japanese bombing planes. With regard to the attack, a responsible Japanese naval officer at Shanghai has informed the Commander-in-Chief of the American Asiatic Fleet that the four vessels were proceeding upriver; that a Japanese plane endeavored to ascertain their nationality, flying at an altitude of three hundred meters, but was unable to distinguish the flags; that three Japanese bombing planes, six Japanese fighting planes, six Japanese bombing planes, and two Japanese bombing planes, in sequence, made attacks which resulted in the damaging of one of the American steamers, and the sinking of the U. S. S. Panay and the other two steamers.

"Since the beginning of the present unfortunate hostilities between Japan and China, the Japanese Government and various Japanese authorities at various points have repeatedly assured the Government and authorities of the United States that it is the intention and purpose of the Japanese Government and the Japanese armed forces to respect fully the rights and interests of other powers. On several occasions, however, acts of Japanese armed forces have violated the rights of the United States, have seriously endangered the lives of American nationals, and have destroyed American property. In several instances, the Japanese Government has admitted the facts, has expressed regrets, and has given assurance that every precaution will be taken against recurrence of such incidents. In the present case, acts of Japanese armed forces have taken place in complete disregard of American rights, have taken American life, and have destroyed American property both public and private.

"In these circumstances, the Government of the United States requests and expects of the Japanese Government a formally recorded expression of regret, an undertaking to make complete and comprehensive indemnifications; and an assurance that definite and specific steps have been taken which will ensure that hereafter American nationals, interests and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or forces whatsoever."
Following is the text of a note handed to the American Ambassador to Japan, Mr. Joseph C. Grew, by the Japanese Minister for Foreign Affairs on December 24, 1937:

"DECEMBER 24, 1937.

"Monsieur L’Ambassadeur,

"Regarding the unfortunate incident occurring on the Yangtze River about twenty-six miles above Nanking on the 12th instant, in which Japanese naval aircraft attacked by mistake the U. S. S. Panay and three merchant ships belonging to the Standard Oil Company of America, causing them to sink or burn with the result that there were caused casualties among those on board, I had the honor previously to send to Your Excellency my note dated the fourteenth of December. Almost simultaneously, however, I received Your Excellency’s note No. 838, which was sent by the direction of the Government of the United States, and which, after describing the circumstances prior to the occurrence of the incident, concludes that the acts of the Japanese forces in the attack were carried out in complete disregard of the rights of the United States, taking American life and destroying American property, both public and private; and which states that, ‘in these circumstances, the Government of the United States requests and expects of the Japanese Government a formally recorded expression of regret, and an undertaking to make complete and comprehensive indemnifications, and an assurance that definite and specific steps have been taken which will ensure that hereafter American nationals, interests, and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or forces whatsoever.’

"As regards the circumstances surrounding the present unfortunate incident, I desire to state that while it is concluded in Your Excellency’s note that the incident resulted from disregard of American rights by Japanese armed forces, it was entirely due to a mistake, as has been described in my note above-mentioned. As a result of the thorough investigations which have been continued since then in all possible ways to find out the real causes, it has now been
fully established that the attack was entirely unintentional. I trust that this has been made quite clear to Your Excellency through the detailed explanations made to Your Excellency on the 23rd instant by our naval and military authorities.

"With reference to the first two items of the requests mentioned in Your Excellency's note, namely, a recorded expression of regret, and indemnifications, no word needs to be added to what I have said in my afore-mentioned note. As regards the guarantee for the future, I wish to inform Your Excellency that the Japanese Navy issued without delay strict orders to 'exercise the greatest caution in every area where warships and other vessels of America or any other third power are present, in order to avoid a recurrence of a similar mistake, even at the sacrifice of a strategic advantage in attacking the Chinese troops.' Furthermore, rigid orders have been issued to the Military, Naval, and Foreign Office authorities to pay, in the light of the present untoward incident, greater attention than hitherto to observance of the instructions that have been repeatedly given against infringement of, or unwarranted interference with, the rights and interests of the United States and other third powers. And the Japanese Government are studying carefully every possible means of achieving more effectively the above-stated aims, while they have already taken steps to ascertain, in still closer contact with American authorities in China, the whereabouts of American interests and nationals, and to improve the means of communicating intelligence thereof speedily and effectively to the authorities on the spot.

"Although the attack on the man-of-war and other vessels of the United States was due to a mistake as has been stated above, the Commander of the flying force concerned was immediately removed from his post, and recalled, on the grounds of a failure to take the fullest measures of precaution. Moreover, the staff members of the fleet and the commander of the flying squadron and all others responsible have been duly dealt with according to law. The Japanese Government are thus endeavoring to preclude absolutely all possibility of the recurrence of incidents of a similar character. It needs hardly be emphasized that, of all the above-mentioned measures taken by the Japanese Government, the
recall of the commander of the flying force has a significance of special importance. It is my fervent hope that the fact will be fully appreciated by the Government of the United States that this drastic step has been taken solely because of the sincere desire of the Japanese Government to safeguard the rights and interests of the United States and other third powers.

"I avail [etc.].

"KOKI HIROTA."

The Secretary of State today instructed the American Ambassador to Japan, Mr. Joseph C. Grew, to communicate the following note to the Minister for Foreign Affairs:

"The Government of the United States refers to its note of December 14, the Japanese Government's note of December 14 and the Japanese Government's note of December 24 in regard to the attack by Japanese armed forces upon the U. S. S. Panay and three American merchant ships.

"In this Government's note of December 14 it was stated that 'the Government of the United States requests and expects of the Japanese Government a formally recorded expression of regret, an undertaking to make complete and comprehensive indemnifications; and an assurance that definite and specific steps have been taken which will ensure that hereafter American nationals, interests and property in China will not be subjected to attack by Japanese armed forces or unlawful interference by any Japanese authorities or forces whatsoever.'

"In regard to the first two items of the request made by the Government of the United States, the Japanese Government's note of December 24 reaffirms statements made in the Japanese Government's note of December 14 which read 'the Japanese Government regret most profoundly that it (the present incident) has caused damages to the United States' man-of-war and ships and casualties among those on board, and desire to present hereby sincere apologies. The Japanese Government will make indemnifications for all the losses and will deal appropriately with those responsible for the incident.' In regard to the third item of the request made by the Government of the United States, the
Japanese Government's note of December 24 recites certain definite and specific steps which the Japanese Government has taken to ensure, in words of that note, 'against infringement of, or unwarranted interference with, the rights and interests of the United States and other third powers' and states that 'The Japanese Government are thus endeavoring to preclude absolutely all possibility of the recurrence of incidents of a similar character.'

"The Government of the United States observed with satisfaction the promptness with which the Japanese Government in its note of December 14 admitted responsibility, expressed regret, and offered amends.

"The Government of the United States regards the Japanese Government's account, as set forth in the Japanese Government's note of December 24, of action taken by it as responsive to the request made by the Government of the United States in this Government's note of December 14.

"With regard to the facts of the origins, causes and circumstances of the incident, the Japanese Government indicates in its note of December 24 the conclusion at which the Japanese Government, as a result of its investigation, has arrived. With regard to these same matters, the Government of the United States relies on the report of findings of the Court of Inquiry of the United States Navy, a copy of which has been communicated officially to the Japanese Government.

"It is the earnest hope of the Government of the United States that the steps which the Japanese Government has taken will prove effective toward preventing any further attacks upon or unlawful interference by Japanese authorities or forces with American nationals, interests or property in China."

Following is a report received by the Secretary of the Navy from the commanding officer of the U. S. S. Panay, Lt. Comdr. J. J. Hughes, United States Navy:

"On Sunday, December 12, 1937, the U. S. S. Panay was operating under the orders of the commander, Yangtze patrol, and at that time was anchored about 15 miles above Nanking acting as a refuge for American citizens and mem-
bers of the American Embassy. The ship was accompanied by the American merchant ships *Meiping, Meishia, Meian*, and miscellaneous launches and junks. The latest orders from the commander of the Yangtze patrol to the commanding officer had been received the day before by despatch and said the commanding officer was to have complete discretion in moving the ship up or down the river.

"The ship was identified as an American vessel by two large horizontal flags, one spread over the forward top deck and one over the after top deck, both clearly visible from the air at any angle. Each of these flags measured about 18 feet in length and about 14 feet in width and had been freshly repainted. In addition to these two flags and on account of the emergency condition existing, the *Panay* had been flying her largest size ensign at the gaff both day and night whether underway or at anchor. All ensigns both horizontal and vertical were brightly illuminated all night.

"At 8:14 a.m., I observed artillery shells falling in the river about 400 yards off our starboard beam presumably from Japanese artillery although the batteries were not visible. At 8:25 a.m., I got the *Panay* underway for upriver to get clear of this firing and signalled the convoy to follow at 8:43 a.m.

"At 9:40 a.m. having resumed our journey with the *Panay* at the head of the column, followed in the order named by the *Meiping, Meishia*, and *Meian*, two groups of Japanese soldiers were sighted on the left (north) bank. They waved hand flags at the *Panay* and seemed to want to communicate with us. Accordingly the *Panay* hove to and a Japanese armed tender came alongside carrying Lt. Sheseyo Murakami and about 90 men, most of whom were armed with machine guns. Lieutenant Anders, my executive officer, met this officer at the gangway as he stepped on board accompanied by his sword bearer and two privates with fixed bayonets. Lieutenant Anders informed me that the officer desired to speak to me so I turned the conn over to Lieutenant Anders and went to the gangway.

Lieutenant Murakami asked me where the *Panay* was going and I said to a point upriver 28 miles from Nanking.
He said 'Why are you going there,' to which I replied 'To keep clear of artillery fire.' He asked me about the three merchant ships and I informed him that they were American ships under my protection. His next question was about the Chinese troops holding solidly to which I said that the United States was friendly to both Japan and China and therefore I could not give him any information about the Chinese Army. This conversation was witnessed by Second Secretary, Mr. George Atcheson, Jr., of the American Embassy, Nanking, China. Lieutenant Murakami then invited me to repay his call ashore, which invitation I respectfully declined. At 9:53 a.m. the Japanese tender cleared the side.

"At 9:54 a.m. the Panay again resumed her way up the river. At 11 a.m. I anchored the Panay at a point 20 miles up river from Nanking and about 221 miles above Woosung in a broad open space in the river. My reason for anchoring there was simply to keep out of the way of the contending armies. This location seemed highly desirable. We were easily visible, especially accompanied as we were by three merchant ships, for miles around on every side. It seemed unlikely that any troops would try to cross the river in our vicinity. In selecting this spot I had in mind primarily the safety of the Panay and the refugees whom she was carrying, but also the safety and well-being of the American ships in the convoy and their personnel. Immediately upon anchoring I posted sentry lookouts for airplanes and troop movements. At 1 p.m. I allowed a party of about eight men to visit the Meiping nearby. These men were still on board the Meiping when the attack started and were therefore unable to return to the ship.

"At about 1:27 p.m. the lookout called down that two planes were in sight, altitude about 4,000 feet. The weather was clear with good visibility and no wind. The planes were clearly visible in spite of their altitude which may not have been as high as reported to me at that time. I had no idea whatsoever that the planes intended to attack us. About this time I went up to the bridge with Chief Quartermaster John Lang in order to keep a better lookout for further plane approaches. About 1:29 p.m. I looked out the door of the bridge to pick up again the two planes I
had originally seen and was astonished to discover that both were rapidly losing altitude in a direction toward us. Almost immediately they appeared to go into power dives. Almost immediately a bomb seemed to strike directly over our heads ripping a big hole in the roof of the bridge. I lost consciousness for what must have been only a minute or two; when I came to I discovered myself on the deck of the bridge badly stunned with my head covered with blood and my right leg painfully injured at the hip, making it impossible for me to rise to my feet. A hole had also been broken in the deck of the bridge near where Lang and I had been standing. I asked Lang if he were injured to which he replied 'No, sir.' Not being able to determine the extent of the damage from the inside of the bridge which was completely wrecked he helped me down to the ship's galley which is on the main deck, and a good central point from which to direct operations. Before I was able to reach the galley, which was necessarily a slow process on account of my disabling wound, I heard the Panay's machine guns firing and realized that the crew was carrying on probably under the immediate direction of Lieutenant Anders, my executive officer. At the galley I sent Lang to notify all officers that I was in the galley incapacitated and to tell the engineer officer, Lieutenant (j. g.) Geist to let me know if we were taking water and if we could get the ship underway.

"From then on the planes bombed us continuously until about 2:25 p.m. They appeared to be attacking us in relays of two or three each. The first group that came over dive-bombed from a considerable altitude which kept them beyond the range of our Lewis machine guns. Later when the Panay was visibly smashed up they came much closer and not only let go their bombs from low altitudes of perhaps one or two hundred feet, but also machine-gunned our decks firing as they came down diving. I distinctly heard their guns which had a different sound from the Panay's. I was informed at the time that the planes were Japanese Navy planes identified by their characteristic red circle. According to my reckoning the Panay must have received about 24 direct hits. I could not believe it was possible for such a small ship to receive such damage and still float."
was informed later that the first bomb which disabled me also put the forward 3-inch gun and the radio room out of action and brought down the foremast.

"At 1:58 p.m. the ship appeared to be settling quite fast; meanwhile, before the engineer officer could reach me to give me a report on the status of our propelling machinery, I heard a sharp rush of steam escaping from our steaming boiler. The engineer officer, Lieutenant Geist, reported shortly thereafter and said we could not get underway because the steaming boiler had been ruptured. About this time someone informed me that we appeared to be in danger of being run down by one of the merchant ships. I got Mr. Paxton to carry me to the door of the galley, and from what I could see I supposed that the vessel was attempting to come alongside the Panay, probably to take off our personnel. About that instant another storm of bombs fell both on the Panay and the merchant ship. The latter then abandoned her attempt to help the Panay. It should be remembered that attacking planes concentrated almost all their efforts on the Panay during at least the first half hour.

"By 2 p.m. it seemed unlikely to me that I should be able to save the ship. About 2:02 p.m. Ensign Biwerse returned and said he thought we should abandon ship, especially as he thought the job would take some time with only two small boats. Accordingly, I gave the order to abandon ship, and to start by sending the worst wounded ashore first. Boats contained only wounded except for the boats' crews, Chief Boatswain's Mate Mahlmann and several of the crew that had not been injured. They came to the galley to put me in the first boat. I protested against leaving the ship at this time, and was most unwilling to do so; but it appeared that they did not heed my protest because of my condition. With Mr. Paxton's assistance they carried me down to the deck, and laid me flat on my face across the bow of the motor sampan.

"I told Ensign Biwerse to tell Lieutenant Anders and the other officers that if the attack should cease I wanted Ensign Biwerse to remain on board with a small detail of about six uninjured men to do what they would to keep the ship from going down and that in any case Ensign Biwerse and his detail were to be the last to leave. I knew at that time
that Ensign Biwerse was the only uninjured officer although suffering from shock and had had most of his clothes blown off and believed that Lieutenant Anders and Lieutenant (j. g.) Geist were sufficiently injured to justify their leaving the ship before the last boatload. After arriving on shore I was informed both the motor sampan and pulling sampan had been machine-gunned by the attacking planes. Some time thereafter I heard the sound of a motor launch in the river close to where we were hidden in the reeds. The launch stayed in our vicinity a few minutes and then left. I cannot say whether or not they attempted to search for us because I was keeping my men out of sight and had deliberately left no debris on the beach by which we could be traced. Shortly afterwards a second launch passed.

"About this time the planes started bombing the merchant vessels. At 2:25 p. m. they ceased bombing the Panay altogether. It was while they were bombing the Panay that two of the merchant vessels were able to get underway and beach themselves.

"With only two small boats available it took many return trips to take all the personnel off the ship. Starting at 2:05 p. m. we completed the operations at a little after 3 p. m. Sometime before the ship sank I heard the rattle of machine guns and was informed that an armed Japanese boat was firing on the Panay. I was subsequently informed that this boat had put several men on board who remained only a few minutes and then left. I was shortly informed that the ship sank with her colors still flying at 3:54 p. m. turning over to starboard.

"While on board the roar of the bomb explosions and the pieces of debris flying around made it impossible to keep any written record of the various hits, the damage sustained, or the injury to personnel.

"There was absolutely no panic. The orders I gave were carried out exactly. The ship had the normal Yangtze gunboat general quarters station bill. We had special details for air defense which involved using only our machine guns.

"The hull had many holes when abandoned and was shipping water rather rapidly. It would have been impossible to get the ship underway to beach her because her steaming
boiler had been ruptured. Lieutenant Anders, my executive officer, with great courage and perseverance maintained the fire of all our machine guns although he had been badly wounded almost immediately in the throat, and later in the arm and both hands. He was able however, to keep his feet and maintained active charge.

"As already mentioned, I had my men abandon ship in the order of the worst wounded. First, I sent the boats to the nearest land which was covered by high reeds. I told the men that after they reached the beach they were to get in shore and hide in the reeds without, however, getting too far separated. After getting all the men off the ship and on the beach we found two Japanese planes flying fairly low overhead apparently looking for the Panay survivors. The reeds, however, apparently afforded us sufficient cover to remain unseen. These planes subsequently departed but shortly later bombing attacks were made on the two merchant vessels which were by now beached on the bank opposite us. The third merchant vessel had already been sunk by bombs.

"We were on an island. Lt. Arthur F. Anders, my executive officer, was by this time badly weakened from loss of blood and Lieutenant (j. g.) Geist was also badly wounded in the leg. Ensign Biwerse had escaped actual injury but was suffering somewhat from shock. I felt that under the circumstances of our urgent condition and position that I should utilize the experience and mature judgment of Capt. Frank N. Roberts, United States Army, the Assistant Military Attaché to the American Embassy in China, who had come on board at Nanking. He had escaped injury and was most anxious as an officer to assist me in any way. His ability to speak Chinese was also a valuable factor. I therefore appointed him as my immediate representative to take active physical charge under my direction and such orders as he gave were after consultation with me and by my authority and direction. I also acknowledge gratefully the kind and efficient assistance of Mr. Atcheson in the same way. It is my grateful duty to add that Captain Roberts' services were absolutely invaluable and it is impossible for me to express my full appreciation of them. I am sure that every member of the party would agree that his efficiency,
kindness, and tact, and his experience in handling an operation of this nature on shore greatly contributed to our final escape. Mr. Atcheson, who also speaks Chinese, agreed at my request to remain with the party to facilitate dealings with Chinese officials.

"At about 5:15 p.m. Second Secretary of the Embassy Mr. J. Hall Paxton, who also speaks Chinese, left our party at my request to try to get a message through either by telephone or telegraph to the American Ambassador at Hankow, informing him of our plight.

"As already mentioned, after dark all able-bodied men tracked the launch carrying the wounded around the little island close to the mainland on which we had found ourselves. In the meantime Mr. Paxton who had gone on ahead sent back coolie carriers from the first village and they carried our wounded there. At this village we engaged more coolies and set out for the next village inland, Hohsien, which was 5 miles away and 3 miles away from the river bank. When we arrived at Hohsien about midnight we were received and treated with the greatest kindness by the magistrate and all the Chinese there and were quartered in the hospital where we remained throughout the daylight. On Monday, 13 December, Ensinger, storekeeper 1st class, and Mr. Sandro Sandri, Italian journalist, died from their injuries while we were there.

"At dark that evening, 13 December, we set out for the next town, Hanshan, by junks which Captain Roberts had engaged. It was while we were at Hanshan, approximately 12 miles inland from the left (north) bank, that I received word of the American and British gunboats which had been sent to assist us and of the presence of a Japanese gunboat to guarantee us safety from further attacks. The magistrate and the Chinese residents of the second village were just as helpful as those of the first. Finding the party and rendering medical aid, they were willing to have us in spite of the fact that they thought as we did that our presence among them would draw down bombing attacks from the Japanese planes.

"We left Hanshan about noon on 14 December in the same junks in which we had arrived and reached the Yangtze river about 9:45 p.m. that night. The entire party was on
board the U. S. S. Oahu and H. M. S. Ladybird by 1 a. m. December 15. All the passengers who were on board the Panay were there at their own request.

"I have no complaint to make regarding the conduct of any officer or enlisted man or any passenger. In my opinion everyone acted with fine courage and initiative. I consider that the action of my officers and crew in attempting to return the fire, rendering first aid, safely evacuating all personnel, transporting the wounded, keeping together and returning as one party with the dead and wounded is sufficient evidence of their courage, discipline, and fortitude. I keenly regret that my own injury prevented me from observing individual acts of courageous conduct of which I feel certain, under the circumstances, every officer and man performed both while on board ship and during the subsequent traveling ashore. I was particularly impressed by and grateful for the high morale and cheerful and faithful manner in which my officers and men assisted one another. I deem it my duty however to comment particularly upon the cool and courageous conduct of Lt. Arthur F. Anders, my executive officer, who though wounded in several places, unable to speak and suffering severe loss of blood, kept his feet, directed the fire and supervised the abandon ship. His conduct was an inspiration to all hands. I also consider that Lt. Clark G. Grazier, Medical Corps, United States Navy, our only doctor, who was fortunately not wounded, displayed coolness, ability and resourcefulness with his treatment of the many wounded both while under fire aboard ship and under very difficult conditions ashore. His untiring efforts and professional skill undoubtedly contributed greatly to reduce the seriousness of the injuries."

Following is the text of the report of findings of the Court of Inquiry ordered to investigate the bombing and sinking of the U. S. S. Panay. The Secretary of the Navy announced that these findings have been approved by the Commander-in-Chief of the Asiatic Fleet:

"The Court finds as follows: 1. That on December 12, 1937, the U. S. S. Panay, a unit of the Yangtze patrol of the United States Asiatic Fleet, was operating under lawful orders on the Yangtze River.
"2. That the immediate mission of the U. S. S. *Panay* was to protect nationals, maintain communication between the United States Embassy, Nanking, and office of the Ambassador at Hankow, provide a temporary office for the United States Embassy staff during the time when Nanking was greatly endangered by military operations, and to afford a refuge for American and other foreign nationals.

"3. That due to intensive shell fire around Nanking the U. S. S. *Panay* had changed berth several times to avoid being hit, and on the morning of December 12, 1937, formed a convoy of Socony Vacuum Oil Co. vessels principally the S. S. *Meiping*, *Meishia* and *Meian* and proceeded up river.

"4. That adequate steps were taken at all times to assure that the Japanese authorities were informed of the movements of the U. S. S. *Panay*.

"5. That in addition to her regular complement the U. S. S. *Panay* had on board at this time four members of the American Embassy staff, four American nationals and five foreign nationals.

"6. That at 9:40 a. m. while standing upriver the U. S. S. *Panay* stopped in response to a signal from a Japanese landing boat, a Japanese Army boarding officer with guard went on board and was informed that the U. S. S. *Panay* and convoy were proceeding to anchorage 28 miles above Nanking, no warning was given of any danger likely to be encountered.

"7. That at about 11 a. m., December 12, 1937, the U. S. S. *Panay* and convoy anchored in the Yangtze River in a compact group at about mileage 221 above Woosung, 28 miles above Nanking.

"8. That the U. S. S. *Panay* was painted white with buff upper works and stacks and displayed two large horizontal flags on her upper deck awnings plus large colors at her gaff.

"9. That the Socony Vacuum ships *Meiping*, *Meishia* and *Meian* each displayed numerous horizontal and vertical American flags all of large size.

"10. That at 1:30 the crew of the U. S. S. *Panay* were engaged in normal Sunday routine and were all on board
except a visiting party of eight men on board the S. S. Meiping.

“11. That at about 1:38 p. m. three large Japanese twin-motored planes in a vee formation were observed at a considerable height passing overhead down river, at this time no other craft were in the near vicinity of the Panay and convoy and there was no reason to believe the ships were in a dangerous area.

“12. That without warning these three Japanese planes released several bombs one or two of which struck on or very close to the bow of the U. S. S. Panay and another which struck on or very close to the S. S. Meiping.

“13. That the bombs of the first attack did considerable damage to the U. S. S. Panay disabling the forward 3-inch gun, seriously injuring the captain and others, wrecking the pilot house and sick bay, disabling the radio equipment, and the steaming fireroom so that all power was lost and causing leaks in the hull, which resulted in the ship settling down by the head and listing to starboard, thereby contributing fundamentally to the sinking of the ship.

“14. That immediately thereafter a group of six single-engined planes attacked from ahead diving singly and appearing to concentrate on the U. S. S. Panay. A total of about 20 bombs were dropped, many striking close aboard and creating by fragments and concussions great damage to the ship and personnel. These attacks lasted about 20 minutes during which time at least two of the planes attacked also with machine guns, one machine-gun attack was directed against a ship’s boat bearing wounded ashore causing several further wounds and piercing the boat with bullets.

“15. That during the entire attack the weather was clear with high visibility and little if any wind.

“16. That the planes participating in the attacks on the U. S. S. Panay and its convoy were unmistakingly identified by their markings as being Japanese.

“17. That immediately after the first bomb struck, air-defense stations were manned and the 30-caliber machine-gun battery opened fire and engaged the attacking planes throughout the remainder of the attack. The 3-inch battery
was not manned nor were any 3-inch shells fired at any time, this was in accordance with the ship's air-defense bill.

"18. That during the bombing many were injured by flying fragments and concussion and all suffered shock on the first bomb. The Captain suffered a broken hip and severe shock, soon thereafter Lieutenant Anders, executive officer, was wounded by fragments in throat and hands losing power of speech, Lieutenant, Junior Grade, Geist, engineer officer, received fragments in the legs, Ensigh Biwerse had clothing blown off and was severely shocked, this included all the line officers of the ship, the Captain being disabled, the executive officer carried on his duties giving orders in writing. He issued instructions to get underway and to beach the ship. Extensive damage prevented getting underway.

"19. That at about 2 p. m., believing it impossible to save the ship and considering the number of wounded and the length of time necessary to transfer them ashore in two small boats, the Captain ordered the ship to be abandoned, this was completed by about 3 p. m. By this time the main deck was awash and the Panay appeared to be sinking.

"20. All severely wounded were transferred ashore in the first trips, the Captain protested in his own case. The executive officer when no longer able to carry on due to wounds left the ship on the next to last trip and Ensigh Biwerse remained until the last trip.

"21. That after the Panay had been abandoned, Mahlmann, chief boatswain's mate and Weimers, machinist's mate first class, returned to the Panay in one of the ship's boats to obtain stores and medical supplies. While they were returning to the beach a Japanese power boat filled with armed Japanese soldiers approached close to the Panay, opened fire with a machine gun, went alongside, boarded and left within 5 minutes.

"22. That at 3:54 p. m. the Panay, shortly after the Japanese boarding party had left, rolled over to the starboard and sank in from 7 to 10 fathoms of water, approximate latitude 30°44'30" north, longitude 117°27' east. Practically no valuable Government property was salvaged.
"23. That after the Panay survivors had reached the left bank of the river the Captain, in view of his own injuries and the injuries and shock sustained by his remaining line officers and the general feeling that attempts would be made to exterminate the survivors, requested Capt. F. N. Roberts, United States Army, who was not injured and who was familiar with land operations and the Chinese language, to act under his directions as his immediate representative. Captain Roberts functioned in this capacity until the return of the Panay survivors on board the U. S. S. Oahu on December 15, 1937, performing outstanding service.

"24. That Messrs. Atcheson and Paxton of the United States Embassy staff rendered highly valuable services on shore where their knowledge of the country and language, coupled with their resourcefulness and sound advice, contributed largely to the safety of the party.

"25. That after some 50 hours ashore, during which time the entire party suffered much hardship and exposure somewhat mitigated by the kindly assistance of the Chinese, they returned and boarded the U. S. S. Oahu and H. M. S. Ladybird.

"26. That from the beginning of an unprecedented and unlooked for attack of great violence until their final return, the ship's company and passengers of the U. S. S. Panay were subjected to grave danger and continuous hardship, their action under these conditions was in keeping with the best traditions of the naval service.

"27. That among the Panay passengers, Mr. Sandro Sandri died of his injuries at 1:30, December 13, Messrs. J. Hall Paxton, Emile Gassie and Roy Squires were wounded.

"28. That early in the bombing attacks the Standard Oil vessels got under way. Meiping and Meishia secured to a pontoon at the Kaayuan wharf, the Meian was disabled and beached further down river on the left bank. All these ships received injuries during the first phases of the bombing. Serious fires on the Meiping were extinguished by the Panay visiting party of eight men who were unable to return to their ship.
“29. That after attacks on the Panay had ceased the Meiping and Meishia were further attacked by Japanese bombing planes, set on fire and destroyed. Just previous to this bombing Japanese Army units on shore near the wharf attempted to avert this bombing by waving Japanese flags. They were not successful and received several casualties. It is known that Captain Carlson of the Meian was killed and that Messrs. Marshall, Vines, and Pickering, and Squires were wounded. Casualties among the Chinese crews of these vessels were numerous but cannot be fully determined.

“30. That the following members of the Panay crew landed on shore from the Meiping after vainly attempting to extinguish oil and gasoline fires on board: V. F. Puckett, chief machinist’s mate, J. A. Granes, gunner’s mate first class, J. A. Dirnhoffer, seaman first class, T. A. Coleman, chief pharmacist’s mate, J. A. Bobkowski, gunner’s mate third class, R. L. Borwing, electrician’s mate third class, J. L. Hedge, fireman first class, and W. T. Hoyle, machinist’s mate second class. These men encountered Japanese soldiers on shore who were not hostile on learning they were Americans.

“31. That all of the Panay crew from the Meiping, except J. L. Hodge, fireman first class, remained in one group ashore until the following day when they were rescued by H. M. S. Bee. Hodge made his way to Wuhu and returned Shanghai via Japanese naval plane on December 14.

“32. That in the searching for and rescuing the survivors, Rear Admiral Holt, Royal Navy, and the officers and men of H. M. S. Bee and H. M. S. Ladybird rendered most valuable assistance under trying and difficult conditions, thereby showing a fine spirit of helpfulness and cooperation.

“33. That Charles L. Ensminger, ship’s cook first class, died at 1:30 p.m., December 13, at Hohsien, China, from wounds received during the bombing of the U. S. S. Panay and that his death occurred in line of duty.

“34. That Edgar C. Hulsebus, coxswain, died at 6:30 a.m., December 19, at Shanghai, China, from wounds received during the bombing of the U. S. S. Panay and that his death occurred in line of duty.
'35. That Lt. Comdr. James J. Hughes, Lt. Arthur F. Anders, Lt. (Jr. Gr.) John W. Geist, John H. Lang, chief quartermaster, Robert R. Hebard, fireman first class, Kenneth J. Rice, electrician’s mate third class, Carl H. Birk, electrician’s mate first class, Charles S. Schroyer, seaman first class, Alex Kozak, machinist’s mate second class, Peres D. Zeigler, ship’s cook third class, and Newton L. Davis, fireman first class, were seriously injured in line of duty.

"36. That Lt. Clark G. Grazier, Medical Corps, Ensign Denis H. Biwerse, Charles S. Adams, radioman second class, Tony Barba, ship’s cook third class, John A. Bonkowski, gunner’s mate third class, Ernest C. Branch, fireman first class, Raymond L. Browning, electrician’s mate third class, Walter Cheatham, coxswain, Thomas A. Coleman, chief pharmacist’s mate, John A. Dirnhoffer, seaman first class, Yuan T. Erh, mess attendant first class, Fred G. Fichtenmayer, carpenter’s mate first class, Emery F. Fisher, chief watertender, Michael Gerent, machinist’s mate second class, Cecil B. Green, seaman first class, John L. Hodge, fireman first class, Fon B. Hoffman, watertender second class, Karl H. Johnson, machinist’s mate second class, Carl H. Kerske, coxswain, Peter H. Klumpers, chief machinist’s mate, William P. Lander, seaman first class, Ernest R. Mahlmann, chief boatswain’s mate, William A. McCabe, fireman first class, Stanley W. McEwen, seaman first class, James H. Peck, quartermaster second class, Reginald Peterson, radioman second class, Vernon F. Puckett, chief machinist’s mate, King F. Sung, mess attendant first class, Harry B. Tuck, seaman first class, Cleo E. Waxler, boatswain’s mate second class, John T. Weber, yeoman first class, and Far Z. Wong, mess attendant first class, were slightly injured in line of duty.

"The Court of Inquiry was composed of: Capt. H. V. McKittrick, United States Navy; Comdr. M. L. Deyo, United States Navy; Lt. Comdr. A. C. J. Sabalot, United States Navy, and Lt. C. J. Whiting, United States Navy, Judge Advocate.