

## **Suddenly and Deliberately Attacked!** The Story of the Panay Incident

It sounds like a familiar story: on a bright Sunday in December, nearly 70 years ago, Japanese planes blazed out of the sky to strafe and bomb an American warship while it lay at anchor. The surprise attack caught the crew off-guard, and despite valiant action, the ship was critically damaged, had to be abandoned, and soon sank. If you said December 7<sup>th</sup>, 1941, Pearl Harbor, you'd be wrong. The date was December 12, 1937, and the place was the Yangtze River in war-torn China. The vessel? The gunboat *USS Panay*. It was a sudden and deliberate attack that might have led to war, save for swift diplomacy, and luck.

As early as 1854, U.S. Navy vessels sailed the Yangtze, a right secured by treaty due to America's status as a trading nation and military power. By the 1870s, America's expanding economic interests in China necessitated the creation of an "Asiatic Fleet" for protection of merchant ships against river pirates and warlords. By the early 1900s, with the Standard Oil Company operating tankers on the river, America's presence became more pronounced until finally, around 1914, specially-built shallow draft gunboats advanced to Chungking, more than 1300 miles from the East China Sea. Between 1926-27, with China in chaos as a result of the "Northern Expedition", six new shallow-draft gunboats were built at the Kiangoan Dockyard and Engineering Works in Shanghai. They were commissioned *USS Luzon* and *USS Mindanao* (both 210' long), *USS Oahu* and *USS Panay* (both 191' long), and the *USS Guam* and *USS Tutuila* (both 169' long). Armament was light but appropriate for a river defense role, with all vessels carrying at least eight Lewis .30 caliber machine guns, and two 3"/50 gun mounts or, in the case of the smaller *Guam* and *Tutuila*, 3"/23 guns.

The crews of these ships were small. *Panay* for example carried four officers and forty-nine enlisted men, along with a Chinese crew of porters. The vessel only drew about five feet of water, and resembled more of a Mississippi riverboat than a destroyer. Yet it had a definite role to play, one summed up on a bronze plaque located in the wardroom: "Mission: For the protection of American life and property in the Yangtze River Valley and its tributaries, and the furtherance of American goodwill in China." For the men of the U.S. Navy, an assignment to the Yangtze Patrol was a plum. A seaman's wages went a long way in China, and there was no shortage of good food and female companionship. The pirate-fighting "river rats" had a certain swagger to them, one underscored by a rough and ready attitude and plenty of facial hair. Unlike their ocean-going counterparts, the "rats" were allowed to wear beards.

The unstable political and military situation in Asia in the 1930s put the Yangtze Patrol on its guard. With Nationalist and Communist armies struggling for control along the river, and Japan signaling expansionist goals, it appeared inevitable that the U.S. Navy would be caught in the fray. The outbreak of the Second Sino-Japanese War in July of 1937 raised the stakes considerably. Japan's assault at the Marco Polo Bridge was widely viewed in the United States as an imperialistic act of aggression. While America

outwardly maintained status as a neutral nation, many believed steps should be taken to curtail Japan's pugnaciousness. Diplomats threatened sanctions, but the U.S. could do little to change the situation on the ground.

November of 1937 found the Japanese Army racing towards Nanking, its troops operating on the southern bank of the Yangtze and in the river delta. As Iris Chang recounts in *The Rape of Nanking*, the Japanese army left a swath of destruction in its path, murdering helpless civilians, committing countless rapes, and conducting wanton atrocities. The fall of the city would prove to be one of the bloodiest episodes in WWII, with more than 300,000 Chinese civilians and soldiers killed in a mere six weeks. The death toll, Chang notes, "exceed(ed) that of the atomic blasts of Hiroshima and Nagasaki combined".

The offensive moved with a speed that caught everyone, even the Japanese, off guard. As Chiang Kai-shek's army collapsed, Ambassador Joseph Grew and his staff abandoned Nanking and retreated to Chungking, some 1200 miles distant, aboard the *USS Luzon*. A skeleton crew of four men, including Second Secretary George Atcheson, Jr. and Vice Consul J. Hall Paxton, stayed behind to monitor events and attempt to safeguard those European and American civilians who remained. The existence of an "International Safety Zone" for the non-Chinese did little to lessen the danger to the staffers or other Westerners however, as Japanese artillery and aircraft brought indiscriminate destruction to the city. *Panay* however offered an escape route, and would stay in the vicinity of Nanking as long as possible so that the embassy staff and anyone else who chose to leave, could do so.

Even though the U.S. Navy operated as a neutral party on the Yangtze, entering the war zone involved considerable risk. To minimize the chance that *Panay* might become a target, Lt. Commander James J. Hughes had his men lash large American flags horizontally across the upper deck awnings, and a gigantic 6' x 11' Stars and Stripes displayed from the gaff before the ship sailed from Shanghai. At night while anchored off Nanking, the ship was to be illuminated and the flag spotlighted. The ship's twin motor sampans, dispatched to the docks to pick up passengers, would also carry large flags.

Hughes was a taskmaster. A native New Yorker, he attended Annapolis in 1915 and earned a reputation for his intelligence and stern judgment. According to Darby Perry, author of the definitive work *The Panay Incident*, Hughes "pushed himself through a number of ...courses that a professional naval officer would need for advancement and a Yangtze Patrol officer might need for survival when operating independently and with almost unlimited authority deep inside China." At his side was another Naval Academy graduate, Lt. Arthur Anders, from Weimar, Texas — and nicknamed "Tex" as a result. A strict man who made sure his captain's orders were followed to the last detail, Anders nevertheless had an informal side. Perry notes that that at Annapolis Anders was "always ready to plop down on a bunk for a bull session" and well known for his ability to do well in class despite rarely seeming to study.

On December 5<sup>th</sup>, an evacuation order was sent by George Atcheson, Jr., stating that “The Embassy considers it inadvisable that Americans remain longer in Nanking. All Americans are urged to foregather at the Embassy west compound tomorrow morning, December 6<sup>th</sup>, at 9:30 a.m., to proceed in a group to the Bund and embark on the *USS Panay*.” The refugees were advised that only one suitcase per person would be allowed.

By the 9<sup>th</sup>, a surprisingly small group of fifteen dependents had assembled aboard *Panay*: four embassy staffers, four U.S. nationals, and four foreign nationals. Most of them were journalists, including one of Universal News’ premiere cameramen, Norman Alley. Also on board was Eric Mayell of Fox Movietone, James Marshall of *Colliers*, photographer Norman Soong of the *New York Times*, United Press’ Weldon James, G.M. McDonald of the *London Times*, and two Italian writers, Sandro Sandri and Luigi Barzini, Jr.

Most war correspondents are by nature adrenalin junkies. No exception to the rule, Norman Alley felt slightly heartsick at boarding the *Panay* to be evacuated. He might very well be leaving a headline story behind. A compatriot, Arthur Menken of Paramount News, decided to stay in Nanking and view the maelstrom. That was too much for Alley, although he was typically fearless to the point of recklessness — during WWI he’d been gassed while reporting from the front lines. On December 4<sup>th</sup>, he’d snuck over to the railway yards at Pukow, across the river from Nanking. There he witnessed a grim spectacle, as Japanese aircraft strafed helpless refugees. When a frightened man mistook Alley’s turreted 16mm camera for a machinegun, the newsman nearly became a victim himself. Such things did not ruffle a man like Alley; he simply made certain in the future to hold the camera at his side when not taking pictures. “My credo is this,” he told George Atcheson, “Go to hell if you must — *but bring back pictures of it.*”

On the afternoon of the 9<sup>th</sup>, Japanese artillery rounds began falling into Nanking’s harbor about 200 feet from the *Panay*. After a brief conference, Commander Hughes and Secretary Atcheson determined that it was time to depart the Bund. “That night all of us stood and watched the burning and sacking of Nanking,” Alley later wrote in his memoir *I Witness*, “until we had rounded the bend and saw nothing but a bright red sky silhouetted with clouds of smoke.” Once the warship arrived at its new position, adjacent to an oil terminal, a radio message was sent to the Japanese informing them of its whereabouts.

On the 11<sup>th</sup>, with what appeared to be aimed artillery fire dropping close by the ship, *Panay* formed a convoy with three Socony Vacuum Oil Company (Standard Oil) tankers, the SS *Mieping*, SS *Meishia*, and the SS *Meian*, and moved seven miles up the river. These vulnerable ships sorely needed *Panay*’s protection. By the same token, *Panay* and her sister vessels in the Yangtze Patrol relied upon them for fuel.

On the morning of December 12<sup>th</sup>, the convoy was halted by a Japanese Army officer, Lieutenant Isobe, who demanded that Commander Hughes provide him with information about the disposition of Chinese forces along the Yangtze. According to Alley, Hughes took umbrage at the interruption, and replied curtly, “This is an American naval vessel. The United States is friendly to Japan and China alike. We do not give military

information to either side.” The Japanese officer then took his leave. (It is interesting to note that, according to Darby Perry, *Panay* carried in its hold salvage parts retrieved from Japanese aircraft wrecked in China. If that is true, then the Navy’s neutral stance clearly had its limits.)

The convoy resumed its trip. At one point the ships cruised past a burning British-flagged freighter that had apparently been sunk by aerial bombardment. It was an omen of things to come. Unaware of any immediate danger, the *Panay* halted 28 miles above Nanking and dropped anchor. Soon enough, presumably once word arrived that Nanking had fallen, they would get up steam and return there. Meantime, Atcheson sent a message to the consulate in Shanghai and the embassies in Hankow and Peking, informing them of the convoy’s position and requesting that the Japanese be notified.

The Navy crew took advantage of the respite to have their so-called “Sunday dinner” — actually a rather large lunch. Passengers aboard the ship took the opportunity to play a leisurely game of cards, and some *Panay* sailors accepted an invitation to visit the nearby *Meiping*. They weren’t there merely to sightsee. Aboard the oil tanker — a civilian vessel — a sailor could relax and have something you couldn’t get aboard a Navy ship: a nice cold beer.

At about 1:40, the drone of heavy aircraft became audible. Looking skyward from just below his upper-deck duty station, Lt. Anders could see three twin-engine bombers in V-formation approaching on a course that would take them over the convoy. “We had no reason to believe the Japanese would attack us; the U.S. was a neutral nation, and Japanese planes had been flying over us since 27 September on their way to bomb Chinese targets,” remembers Anders. “Nonetheless, the order to man our defense stations and to close water-tight doors and hatches was immediately given when the planes were sighted.”

There was not much breeze as Commander Hughes rushed to the bridge to get a better look at the incoming planes. The captain picked up a pair of binoculars and observed, according to Darby Perry, “six planes strung out in a line ahead of the ship. The leading three were rapidly losing altitude...almost immediately they appeared to go into power dives.”

Suddenly, terrifyingly, the planes released a string of bombs. Their target was clearly the *Panay* — the only vessel in the group that could defend itself. Chief Quartermaster John Lang barely had time to scream out a warning before the first bomb struck, just above the pilot house. Hughes later said, “It seemed to hit directly overhead.” There was a flash and the breaking of glass as the pilot house was torn apart. It was a perfectly-aimed bomb that instantly incapacitated Lang and Commander Hughes. Unaware that the blow had disabled the captain, but knowing the vessel was under attack, Lt. Anders gave the order to commence firing.

A withering reply began from the gunboat, but with the machine guns arranged on the sides of the ship — towards the shore where pirates might operate — defensive fire

forward proved nearly impossible. “We had to wait until the bombers finished their run and pulled away,” remembers Arthur Anders. *Panay* was a sitting duck, and already badly damaged. The forward 3” gun was disabled, the pilothouse, radio room and sickbay a shambles, and the propulsion system compromised. When six single-engine dive bombers appeared overhead behind the heavy bombers, explosions rocked the ship, and it began to settle down by the bow with a list to starboard.

Nevertheless *Panay*’s crew put up a blistering fight, trying to throw lead in the air against their attackers. But the Lewis guns were intended for ship-to-shore combat and could scarcely be elevated to fend off an aerial attack. Alley could see right away it was futile. “The gunners of the *Panay* were cap-pistolng against the sun at swiftly moving marks which snapped by at 200 miles an hour,” he wrote. “Our machine guns were all right for a comic opera campaign against Chinese river pirates, but never designed for bringing down belligerent aircraft.”

As it was, with so many of the crew injured, not all the guns could be manned. Anders attempted to load one of the guns himself, but was hit by shrapnel that cut his hands. Chief Boatswain's Mate Mahlman, who ran out of the shower when the first bomb hit, was a little more successful. He managed to keep up a steady rate of fire, all the while dressed only in a shirt. Immortalized by Norman Alley’s movie camera, he became known as the “Pantsless Gunner”.

Once he was aware that the Captain was disabled, Lt. Anders took command of the ship. No sooner had he reached the bridge, when a metal splinter about the size of a kernel of corn hit him square in the throat. Bleeding profusely, Anders found he could no longer speak above a whisper, and began writing his orders on charts with his own blood. “My first reaction was to get the ship underway and beach it to prevent it from sinking,” Anders recalled. “(But) after checking with the engine room, I was informed that the fire room had been damaged by the first bomb and all propulsion and electrical power was lost.” The radio was also out, so there was no hope of summoning aid.

While Anders determined a course of action and his crew defended the sinking *Panay*, other dramas unfolded. Sandro Sandri, correspondent for a Fascist-leaning Italian newspaper, had been badly injured by a bomb blast, and lay in critical condition. The ship’s doctor, Lt. Grazier, tried to attend to Sandri, but with so many wounded and the sickbay a wreck, there was little he could do. In the galley, Commander Hughes lay quietly, his face covered with soot, on the verge of going into shock. Crewmen kicked gas cans over the side, and moved the wounded into the engine room for their own protection, as shrapnel and machinegun bullets ripped through the decks. Fon Huffman, a watertender in the engine room, took cover and lay low on the deck while the Japanese planes screamed overhead. All the while, Norman Alley and Eric Mayell raced around the ship with their cameras, shooting the carnage for posterity. Across the water Alley saw fire break out aboard the *Meiping*. The crew of the tanker, assisted by the eight visiting *Panay* crewmembers — their beers now forgotten — managed to quickly bring it under control.

By now, twenty minutes into the attack, the gunboat was taking on water rapidly. Commander Hughes, advised by Lt. John Geist that the vessel's seams showed signs of spread, gave the order to abandon ship. Moments later Lt. Anders countermanded the order until a suitable inspection could be made. Perhaps if the anchor was released and the ship allowed to drift, Anders considered, they might reach the shore? It was an idea he rapidly dismissed. The ship might drift downriver and right into the hands of the Japanese.

It was soon clear that there was only one viable option. "Part of the main deck was awash, the ship was slowly sinking and there were many injured aboard," Anders remembers. "It was on that basis that at about 2 PM, I gave the order to abandon ship by writing it with pencil on a bloodied chart."

That would not be easy. *Panay* had no lifeboats, and the dive-bombers remained on scene as one of the ship's two motor sampans took off for the distant shore. As soon as it did, a Japanese plane "came down like a chicken hawk," according to Alley, "and released a bomb which fell short." It was a lucky miss, but seconds later another plane swept by and raked the boat with machine-gun fire. Despite the carnage, the evacuation continued. The *Meiping* came close aboard, its captain hoping to take on passengers. Jim Marshall of *Colliers* managed to leap from *Panay* to the tanker, but he was the only person to do so. Sensing that the oil tankers were likely to be the next victim, Anders waved *Meiping* away. The last thing he needed was for the gunboat to be sitting next to a floating bomb.

Following Lt. Anders' written directives, the wounded were the first off the ship. Captain Hughes was placed on the only stretcher available, and ferried to the left bank of the river some 600 yards away. Meanwhile Ensign Biwerse visited the shattered radio room, gathered together the codebooks and threw them over the side. Rations and medical supplies were gathered, and lifebelts broken out. Some in the crew stacked wooden tabletops by the rail, in case a fast escape proved necessary. With the Yangtze's fast-moving current — upwards of seven miles per hour — even a short swim could prove fatal.

As the evacuation of the gunboat progressed, Anders' hunch proved right: the Japanese turned their attention to the oil tankers, and in moments two of the three were aflame. Aboard the *Meiping*, the visiting complement of the *Panay*'s crew again attempted to put out the flames, but this time it was to no avail. Eventually they abandoned ship. "From afar," wrote Alley, "we could hear the pitiful screams of [the] Chinese crew members." The *Meian*, the only vessel to survive the onslaught, was nevertheless badly hit and its American captain, C.H. Carlson, killed. Disabled, the ship was eventually beached on the far bank.

The last crewmen to leave *Panay* issued a *coup de grace*, releasing remaining steam from the boiler so that it would not explode as the ship sank. An attempt was also made to retrieve the contents of the ship's safe, but the doors were wrenched shut. Finally, at about 3 p.m., nearly eighty minutes after the attack began, the vessel was abandoned.

Although weak from loss of blood, Lt. Anders remembers the trip to shore. “The sampan with the outboard motor that I was in had been strafed and hit on one of its many previous trips ashore,” he recalls. “The bullet holes in the bottom were leaking water. As we neared the shore its engine overheated and failed. As a result our boatload did not land with the main body, but drifted downstream a few hundred yards landing in the reeds.”

A short time later Anders became unconscious, and command reverted to Commander Hughes. Knowing that his own situation was tenuous, Hughes asked Army Captain Frank N. Roberts to take charge. It was a wise choice. Roberts, the embassy’s Assistant Military Attache, was uninjured, spoke Chinese fluently, and — unlike the Navy men — used to planning land campaigns.

The survivors were a ragtag group. Twenty-seven of the sixty people gathered on shore were wounded, fourteen of them so badly that they could not be moved except by stretcher. By now, the initial surprise of the attack had worn off, leaving the survivors in shock. A great deal lay open to conjecture. Was it possible that the attack had been a mistake? Or was the United States now at war with Japan? In either case, it seemed possible that the Japanese might very well want to exterminate any survivors.

The uncomfortable facts of the group’s situation were not bolstered by the continued presence of planes overhead, or the appearance of a Japanese army powerboat on the river. As the survivors watched, the boat appeared, raked the gunboat with machinegun fire, and then pulled alongside the derelict and dropped off a boarding party. They did not stay long, perhaps five minutes. Five minutes later, the proud ship rolled to starboard and sank into seven to ten fathoms of water. It was 3:54 p.m.

The survivors hid in the tall bamboo and reeds by the river while, according to Alley, “several Japanese planes soared in vulturous circles above us.” Fortunately the foliage provided excellent cover, and the aircraft soon left the scene. Those who were not injured began trying to care for the wounded. Meanwhile a watch was maintained on the river, now eerily illuminated by the burning oil tankers.

That night Vice Consul J. Hall Paxton departed in hopes of finding assistance and getting word to Ambassador Grew. At about the same time, the Chinese cook Yuan Te Erh ventured forth and located a fishing village called Hoshien some eight miles distant. More importantly, he determined that the survivors had landed within territory controlled by the Chinese army. With the knowledge that they were now safe from all but air attacks, Capt. Roberts organized the making of litters for the wounded. The group then proceeded to Hoshien on foot. The last men arrived there at 4:20 AM on the 13th. Later that night, both Sandro Sandri and the *Panay*’s storekeeper, Charles L. Ensminger, succumbed to their wounds. (According to Alley, Ensminger’s death resulted from a machine gun bullet wound he suffered when the motor sampan was strafed).

While Japanese planes buzzed overhead, the group kept on the move. J. Hall Paxton managed, despite the odds in a place like war-torn China, to find a phone. Using a relay system, he contacted Ambassador Grew in Hankow and issued a report. It was the first news of the bombing, and the first word from the *Panay* since the ship's last transmission on the 12<sup>th</sup>. By now Paxton and the other survivors knew that the U.S. and Japan were not at war. Once the facts became known, however, many suspected that they might be...

Once notified of the *Panay*'s sinking, the U.S. and British navies took immediate action. The Japanese navy got into the act as well, dispatching search planes and ships to aid in the rescue effort. By now survivors were aboard junks, and on the way to Hanshan, about twenty-five miles distant. But they soon learned that a rescue party, led by the British gunboats *HMS Bee* and *HMS Ladybird*, was on its way to Hoshien. The survivors promptly returned to the fishing village, where they found the British vessels along with the *USS Oahu*. Now, three days after the *Panay* ordeal began, it was nearly over.

Among the last Americans to be accounted for were the eight sailors who had been aboard *Meiping* at the time of the attack, and Jim Marshall. After abandoning the burning oil tanker, the group had ended up on the far side of the river. Some encountered Japanese soldiers who, much to their surprise, rendered them badly needed assistance. Many of the men from *Meiping* suffered injuries and burns. Despite his dramatic escape from the gunboat, Jim Marshall ended up badly wounded. The *Collier*'s correspondent owed his life to the efforts of seaman Jim Hodge, who forced a Japanese doctor to treat his wounds, and then carried him on his back for several miles to a hospital at Wuhu.

Now that they were safe, the survivors learned new facts about the events of the 12<sup>th</sup>. It turned out that *Panay* had not been the only foreign vessel in harm's way that day. Both the *Bee* and the *Ladybird* bore battle scars, the result of Japanese artillery fire. One British tar was dead as a result, and four wounded. Two insect-class gunboats, *HMS Scarab* and *HMS Cricket*, fired on attacking Japanese aircraft that same day – the same day, *Panay* survivors now learned, that Japanese troops finally entered Nanking. The attacks appeared both co-ordinated and deliberate.

Newspapers back in the United States announced grim news on the 14<sup>th</sup>, prior to the rescue operation being completed: "Ninety-one persons were reported dead or missing today after a grim thirty-six hour search for survivors of four American vessels destroyed Sunday by Japanese airplanes." Another read: "Bombing of Gunboat Deliberate, Assert Survivors After Rescue". These headlines, based on incomplete information, read like a drumbeat for war. Americans, doing their Christmas shopping, watched and waited for their government to react. Would this be a repeat of the *Maine* incident?

Japan's government acted quickly to forestall revenge, issuing a note of apology before the *Panay* survivors had even reached Shanghai. Such an action was viewed by Far Eastern analysts as an "unparalleled" gesture. In part the expression of profound regret noted that "...it has been established that the Japanese air force, acting on information that Chinese troops were fleeing from Nanking and were going up the river by steamer,

took off in pursuit...(and) owing to poor visibility...the aircraft were unable to discern any mark showing any of them was an American ship or man-of-war.”

The same date that Foreign Minister Koki Hirota issued this statement, an indignant Secretary of State Cordell Hull lodged a formal complaint, enumerating steps that needed to be taken immediately. The Japanese responded by forcing Rear Admiral Teizo Mitsunami to take responsibility for the attack and resign. A second apology, from the Imperial Japanese Navy, was quickly forthcoming. The United Press wire service noted that the IJN intended that all sailors in its ranks should make an apology to their American counterparts, and that “...men of the Japanese Navy are raising a collection of about 500 yen among themselves which they will offer to the fund of the United States Navy...”

On the 18<sup>th</sup>, disturbing-yet-true reports surfaced in the press that *Panay* was attacked not only by the air but by sea — in the form of the motorboat attack following the abandon ship. Attempting to soften the blow, the Japanese denied any such attack, and embarked on a shrewd public relations offensive. It was reported on the wire that “Emperor Hirohito has assumed personal charge of the investigation” and that “His Majesty...is determined to make full amends no matter how humiliating they may be to the armed forces.” The news was encouraging, but of little help to coxswain Edgar Hulsebus, who had been paralyzed by a bullet and died in a Shanghai hospital on the 19th. He was the second, and last, U.S. sailor to die as a result of the attack.

Admiral Mitsumasa Yonai, the Naval Minister, added his voice to the discussion on Christmas Eve, noting that “I do not know how to apologize for this attack” and suggesting that “imperfect communication and poor visibility” were responsible for the misunderstanding. On Christmas Day, a third formal apology was forthcoming in response to Hull’s earlier note that included mention of reparations, acknowledgement of the motorboat attack, and acquiescence to various demands.

“The Japanese could hardly have failed to realize that the Christmas spirit is strong in our country,” noted Ambassador Joseph Grew in his diary,” and (that) the thought ‘Peace on earth goodwill towards men’ must inevitably color and influence our decision.” He was right. After some consideration, President Roosevelt accepted the apology, indicating through Hull that he would hold the Japanese to their word, and demand respect for the United States’ rights in China.

Aside from the details of the settlement, the incident was now considered closed. The controversy surrounding it would live on. On December 29<sup>th</sup>, America and the world learned what every *Panay* survivor already knew, that extensive movie footage — nearly 3500 feet of it — existed of the attack and aftermath. Secreted out of China at a cost of \$25,000, Norman Alley’s 16mm film was edited together and had its first screening in Washington, D.C. for members of the White House staff. Writing in *FDR: Into the Storm*, Kenneth Davis notes that the film “...disproved Japan’s official claim that the Japanese had flown too high to be able to distinguish American vessels and Chinese” and that “Alley’s camera had caught Japanese planes strafing the vessel at masthead height.”

President Roosevelt and Secretary Hull reportedly watched with dismay, anger and real concern. The newsreel could very well raise public ire to new levels, and by doing so reopen what was now considered a closed diplomatic chapter. In the end, Roosevelt gave his approval for Universal to release the film, but asked that the most inflammatory portion – the low altitude footage — be excised.

Even with this material removed, the dramatic film caused a sensation when it debuted in Los Angeles on New Year's Eve, right before the Fred Astaire feature *Damsel in Distress*. Not only was it one of the most complete portraits of a military incident ever filmed, but a damning piece of evidence that, despite the cuts, nevertheless gave the lie to the Japanese account of events. The footage showed how well-marked *Panay* was that day — Alley shot the American flags draped across the upper deck — and revealed that visibility on the day of the attack was stunningly clear. Yet the time for recriminations, let alone action, had passed.

Just why did Japanese planes attack the *Bee*, *Ladybird*, *Panay*, *Scarab* and *Cricket*? Even after WWII, the exact motivation remained elusive. According to Commander Masatake Okumiya, who led the dive-bombers that Sunday in December and who contributed an article to *Proceedings* in 1953, it really was a case of mistaken identity. Japanese Army intelligence believed large numbers of Chinese troops were escaping from Nanking, and had specific information related to seven large merchant ships. They urged the Navy to attack these targets of opportunity. The squadron of Navy pilots dispatched to deal with these vessels had only been operating in China for eight days, and had not been properly briefed about how to identify neutral ships operating on the Yangtze. The second attack on *Scarab* and *Cricket*, Okumiya told Darby Perry, was quickly aborted after the Union Jack was seen fluttering in the breeze. By the time that case of mistaken identity had occurred however, *Panay* was already at the bottom of the Yangtze.

Others however, including many of the survivors, never believed the reason for the attacks could be so simple. If it really were a case of mistaken identity, why would the Japanese have seen fit to attack *Panay* — the only vessel in the convoy capable of firing back — first? And why would they continue to press the attack after flying low enough to identify the U.S. flags draped on the ship's awnings? How could they imagine that a simple merchant ship could fire back in its own defense, and with machine guns?

For these reasons, most of the survivors believed the attack was deliberate, and carried out under orders. Perhaps the strike represented an all-out effort by radical elements to actually precipitate war with the United States and Great Britain. Or, perhaps it was intended as a test, to see how the United States and Great Britain would respond to direct aggression. The desired effect would be for the Western powers to abandon China, once they realized the cost of staying might be high. *The Los Angeles Times* noted that in the aftermath of the attack, Senator Robert Reynolds declared that, “the United States should withdraw from China lock, stock and barrel without delay.” Such an action may have been exactly what the Japanese faction behind the attack desired, and while the *Times* editorial board did not endorse an immediate abandonment of America's holdings in the region it did note that, “a gradual withdrawal from China is no doubt wise.”

Is it possible that a conspiracy existed to foment a war with the West? Certainly, one aspect of the Japanese government in the 1930s and '40s was its instability. Not only was it rocked by coup attempts and infighting between military and civilian institutions, but it faced terrible factionalism in the form of Army and Navy rivalries. *The Los Angeles Times* said as much when its editors speculated, five days after the attack, that “it is becoming plain (this was) no accident. However it is also becoming plain, there was no attack ordered by the Tokyo government or sanctioned by the Japanese people; but more likely, the result of ...extreme anti-foreignism among a clique of Japanese officers.”

One young officer, Colonel Kingoro Hashimoto, was eventually identified by the Japanese as the person responsible for the motorboat attack on the 12<sup>th</sup>. There is reason to believe he commanded the artillery that shelled the ship the previous day, and which shelled the British on the 12<sup>th</sup>. A radical who was involved in a violent attempt to overthrow the Japanese government in 1931, Hashimoto fits the profile of a right-wing extremist. Historian Samuel Eliot Morison believed that Col. Hashimoto hatched a battlefield conspiracy. His desire “...was to provoke the United States into a declaration of war, which would eliminate civilian influence from the Japanese government and complete the ‘Showa Restoration’”. (It’s worth noting that Commander Okumiya dismissed the notion that Hashimoto managed to co-ordinate an artillery and air attack as unlikely, owing to the rivalries that existed between the services. Darby Perry however suggests that Hashimoto may have co-ordinated the attack through shrewd deception, tricking the over-eager Navy air squadron into making a strike on “Chinese merchant ships” that turned out to be the *Panay* convoy.).

If Hashimoto was behind the attacks, he must have cursed both his luck, and his gunner’s aim. Everyone involved in the incident, from Ambassador Grew to Admiral Yarnell to Commander Hughes, expressed amazement that the attack produced so few casualties. Had the airplanes managed to sink the ship more quickly, or had the motorboats strafed the survivors — the death toll could have been enormous. It is hard to know how the U.S. government would have reacted in that case. As it was, Japan paid over two million dollars in reparations including \$445,727.87 for the loss of *Panay*. The figure did not include any money that represented punitive damages. Admiral Mitsunami resigned. Col. Hashimoto was recalled from his duty station in China and given what amounted to a slap on the wrist. After Pearl Harbor, he was quickly rehabilitated by the Army and given a medal for his audacity. After Hiroshima, he was imprisoned and sentenced to life imprisonment — all for war crimes unrelated to *Panay*.

In all 74 persons required treatment as a result of wounds received during the incident. Twenty-three crewmembers were awarded the Navy Cross. The survivors went on with their lives. Norman Alley packed up his camera and headed to Europe, where he covered the outbreak of WWII. Lt. Anders recovered from the wounds he received — three days after the attack he coughed up a metal fragment and found he could speak again — and received the Purple Heart and the Navy’s highest decoration at the time, the Distinguished Service Medal, for his heroism. Capt. Frank Roberts also received the D.S.M., one of the few Army officers to ever have that honor. Commander Hughes, who

suffered a severely broken femur, faced permanent disability. He nevertheless served in WWII before being medically retired from the Navy. Many of the other survivors continued their Navy careers; nine of them died in WWII including one, Coxswain Morris Rider, at Pearl Harbor.

The Yangtze Patrol continued after the sinking of *Panay*, but with less zeal. The Navy resolved to avoid another incident, and the ships remained well out of harm's way. In November of 1941, as conditions deteriorated, *Oahu*, *Luzon*, and *Mindanao* withdrew to the Philippines, leaving *Tutuila* at Chunking and *Wake* (previously *Guam*) at Shanghai. *Wake* and its crew would be captured at anchor on Dec. 8<sup>th</sup>. Isolated and alone, *Tutuila* was signed over to the Chinese, who used it until at least 1946. *Mindanao* was scuttled in the Philippines to prevent capture, while Japanese gunfire sank *Oahu* off Corregidor on May 5, 1942. The last survivor of the Yangtze patrol ended up being *Luzon*. After being unsuccessfully scuttled, it was resurrected by the Japanese, and eventually was sunk by the submarine *USS Narwahl* in 1944.

While it did not lead to war, the *Panay* incident certainly hardened attitudes in the United States. From 1938 onward, America's stance towards Japan would be increasingly tough, and its actions viewed as aggressive. After the outbreak of WWII of course, the *Panay* incident took on a different meaning: it was seen as a deceitful prelude to Pearl Harbor. "Remember the *Panay*" became a well-known slogan, albeit one less powerful than that affiliated with the *Maine*. "I have been told I am the first U.S. Naval officer," Cmdr. Arthur Anders recounted proudly in 1999, "to give the order to commence firing on Japanese military forces." From that perspective, coxswain Edgar Hulsebus and storekeeper Charles L. Ensminger were the first American sailors to die in WWII. Unfortunately, they would not be the last.

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