Japan - 1933

THE UNDER SECRETARY OF STATE
WASHINGTON

C.F.

April 3, 1933.

Dear Mr. President:

You asked me recently a question in regard to the Japanese mandates in the Pacific.

I am sending you herewith a memorandum dated February 2nd, prepared by Doctor Hornbeck, of the Division of Far Eastern Affairs, together with a covering memorandum, dated April 3rd, also prepared by him. These two memoranda give, I think, an excellent summary of the whole question up to date.

Faithfully yours,

William Phillips

The President

The White House.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

April 3, 1933.

U.
Mr. Phillips:

On the subject

MANCHURIA SITUATION

Question of the Japanese Mandates in the Pacific.

Relation of the United States thereto, --

Herewith, as requested by you, a copy of the memorandum of February 2, 1933.

Since the date on which this memorandum was submitted, Japan has withdrawn from the League of Nations. Also there have come from various Japanese official sources statements (but, so far as we know, no official pronouncement) to the effect that, regardless of considerations which may be advanced in opposition thereto, Japan regards the Mandated Islands as Japan's territory and intends to keep them. It would seem that the League will have to come to some decision with regard to the technical problems involved.

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The United States, as one of the Allied and Associated Powers, acquired an interest in law in these Islands; and, as a "Pacific Power" and as a party to various treaties relating to the Far East, has a practical interest in the fate of and the use made of them. However, there is no need of and probably no useful purpose to be served by action on our part in anticipation of and before action by Japan or the League or both. This Division is therefore still of the opinion expressed in the last paragraph of the summarizing page immediately hereunder, it being our belief that there would be nothing to be gained -- and there might be something to be lost -- by a manifestation by the American Government at this time of interest or concern with regard to the matter.

(NOTE: In so far as our "conclusions" are given consideration, it is suggested that when or before any action by the American Government with regard to this matter may be in contemplation the whole subject should be examined by the Legal Adviser.)

SKH

FE:SKH/ZMK

P3F Japan

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

February 2, 1933.

The memorandum hereunder deals with the question of the relation of the United States to the status and possible problem of the Japanese Mandates in the Pacific.

It has been prepared on the basis of a study and memoranda by Mr. Field of WE, together with some other materials.

The statement of facts and analysis which it contains lead to the conclusions that

(a) it cannot be assumed that a Mandatory upon leaving the League would automatically lose its rights in relation to a Mandate;

(b) it is questionable whether the Council of the League has the right to divest a Mandatory of its Mandate without the consent of the Mandatory;

(c) the rights of the United States in relation to Japan's Mandate would not be affected (either increased or diminished) by the fact of Japan's ceasing to be a member of the League; but that

(d) it might be possible for the United States to cooperate with the League in any change which, in the event of Japan's resignation from the League, the League might contemplate making in regard to the Japanese Mandate.

It is the view of FE that up to such time as the League may have had to consider this question and shall have taken an initiative with regard to it, the American Government should <u>give no sign</u> of interest or concern with regard to it.

FE:SKH/ZMK

February 2, 1933.

MANCHURIA SITUATION.

Question of the Japanese Mandates in the Pacific.

Relation of the United States thereto.

I.

Under Article 119 of the Versailles Treaty, "Germany renounces in favor of the Principal Allied and Associated Powers all her rights and titles over overseas possessions".

On January 30, 1919, the Peace Conference adopted the so-called Mandate system in accordance with which these overseas possessions were to be administered by different Governments on behalf of the League of Nations.

In Article 22 of the League Covenant it was provided, in part, "that the tutelage of such peoples shall be entrusted to advanced nations ***, and that this tutelage shall be exercised by them as Mandatories on behalf of the League".

By decision of the Allied Supreme Council in May, 1919, the allocation of the Mandated territories took place. The German islands north of the equator were allocated to Japan as Mandatory.

Article 22

Article 22 of the Covenant provides that "the degree of authority, control, or administration to be exercised by the Mandatory shall, if not previously agreed upon by the members of the League, be explicitly defined in each case by the Council".

The charters conferring and defining legal rights of authority and administration upon the selected Mandatory Powers were prepared by a Commission representing the Principal Allied and Associated Powers under Lord Milner and were subsequently submitted to the League Council for confirmation, toward the end of 1920.

In accordance with Article 22 of the Covenant, the Mandates were divided into three separate categories "according to the stage of the development of the people, the geographical situation of the territory, its economic conditions and other similar circumstances". The possessions allocated to Japan as Mandatory were placed in the category of so-called C Mandates constituting the most backward territories; and over them, therefore, the Mandatory is given greater control and powers than are given in connection with Mandates of the other two categories.

Under Article 22 of the Covenant, the C Mandates are administered "under the laws of the Mandatory as integral portions of its territory".

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The charters of the C Mandates, including that of Japan, were formally approved by the League Council on December 17, 1920.

The Japanese Mandate begins with the following preamble:

"THE COUNCIL OF THE LEAGUE OF NATIONS:

"Whereas, by Article 119 of the Treaty of Peace with Germany signed at Versailles on June 28, 1919, Germany renounced in favour of the Principal Allied and Associated Powers all her rights over her oversea possessions, including therein the groups of islands in the Pacific Ocean lying north of the equator; and

"Whereas the Principal Allied and Associated Powers agreed that in accordance with Article 22, Part I (Covenant of the League of Nations) of the said Treaty a Mandate should be conferred upon His Majesty the Emperor of Japan to administer the said islands and have proposed that the Mandate should be formulated in the following terms; and

"Whereas His Majesty the Emperor of Japan has agreed to accept the Mandate in respect of the said islands and has undertaken to exercise it on behalf of the League of Nations in accordance with the following provisions; and

"Whereas, by the afore-mentioned Article 22, paragraph 8, it is provided that the degree of authority, control or administration to be exercised by the Mandatory, not having been previously agreed upon by the Members of the League, shall be explicitly defined by the Council of the League of Nations:

"Confirming the said Mandate, defines its terms as follows:-"

Article 2, which defines the general authority of the Mandatory, reads as follows:

"Article 2

"Article 2. The Mandatory shall have full power of administration and legislation over the territory subject to the present Mandate as an integral portion of the Empire of Japan, and may apply the laws of the Empire of Japan to the territory, subject to such local modifications as circumstances may require.

"The Mandatory shall promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory subject to the present Mandate."

Articles 6 and 7, which define the powers of the Council of the League, read as follows:

"Article 6. The Mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the Council, containing full information with regard to the territory, and indicating the measures taken to carry out the obligations assumed under Articles 2, 3, 4 and 5.

"Article 7. The consent of the Council of the League of Nations is required for any modification of the terms of the present mandate.

"The Mandatory agrees that, if any dispute whatever should arise between the Mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the Mandate, such dispute, if it cannot be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by Article 14 of the Covenant of the League of Nations."

In accordance with Article 22 of the Covenant a Permanent Mandates Commission was set up by the League "to receive and examine the annual reports of the Mandatories and to advise the Council on all matters relating to the observance of the Mandates".

II.

II.

The American Government, on various occasions both prior to and after the adoption by the League Council of the Mandates, protested against the disposition and establishment of the Mandates without the United States having been consulted and asserted the right of the United States to a part in the determination of the disposition of the former German possessions -- on the basis that the United States was one of the Principal Allied and Associated Powers mentioned in Article 119 of the Peace Treaty. (See above). For instance, in notes of April 2, 1921, to the Allied Powers, the American Government took the position that, in view of our rights as an Associated Power, "there can be no valid or effective disposition of the overseas possessions of Germany now under consideration without the assent of the United States".

This contention of the United States was particularly advanced in connection with this Government's opposition to the allocation to Japan of the Island of Yap (to which allocation opposition had earlier been made in the course of the Peace Conference). In the notes above referred to, the United States contended that its

rights

rights respecting the allocation of Yap, as well as of other Mandates, could be surrendered (to Japan or to any other state) only by treaty, and that no such treaty had been concluded.

In a declaration accompanying the Four Power Pacific Treaty it was declared that "the treaty shall apply to the Mandated islands of the Pacific Ocean; provided, however, that the making of the treaty shall not be deemed to be an assent on the part of the United States of America to the Mandates and shall not preclude agreements between the United States of America and the Mandatory Powers, respectively, in relation to the Mandated islands."

The status of Yap was finally regularized by a Treaty between the United States and Japan, February 11, 1922. Article 1 of this Treaty reads as follows:

> "Subject to the provisions of the present Convention, the United States consents to the administration by Japan, pursuant to the aforesaid Mandate, of all the former German Islands in the Pacific Ocean, lying north of the Equator."

The last paragraph of Article 2 reads as follows:

> "Nothing contained in the present Convention shall be affected by any modification which may be made in the terms of the Mandate as recited in the Convention, unless such modification shall have been expressly assented to by the United States."

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The Department has held that the provision of Article 2 quoted above does not give this Government the right to be consulted in connection with a modification of a Mandate; that it merely insures that such rights as are specifically contained in our Treaty with the Mandatory cannot be changed without our consent; in other words, that such modifications as are made in the Mandate cannot be applied to us without our consent. (See memorandum of Mr. Hackworth, dated August 12, 1932, File No. 790.D. 90 i 15/5).

The Treaty with regard to Yap contains no provisions for expiration or denunciation.

III.

The question of the location of sovereignty over the Mandates appears not to have been decided, nor has there been, so far as can be determined, any conclusive discussion of the question what would be the legal situation in the event that a Mandatory should resign or be expelled from the League.

On April 23, 1923, the League Council adopted a resolution defining the national status of the inhabitants

of

of Mandated territories, as follows:

"The Council of the League of Nations,
"Having considered the report of the Permanent Mandates Commission on the national status of the inhabitants of territories under B and C Mandates,

"In accordance with the principles laid down in Article 22 of the Covenant:
"Resolves as follows:

(1) "The status of the native inhabitants of a mandated territory is distinct from that of the nationals of the Mandatory Power and cannot be identified therewith by any process having general application.

(2) "The native inhabitants of a mandated territory are not invested with the nationality of the Mandatory Power by reason of the protection extended to them.

(3) "It is not inconsistent with (1) and (2) above that individual inhabitants of the Mandated territory should voluntarily obtain naturalization from the Mandatory Power in accordance with arrangements which it is open to such Power to make, with this object, under its own law.

(4) "It is desirable that native inhabitants who receive the protection of the Mandatory Power should in each case be designated by some form of descriptive title which will specify their status under the Mandate."

It is noteworthy that the Japanese representative abstained from voting on the above resolution.

In September, 1929, the Council, in connection with a question which arose as to the legal relationship of the Union of South Africa to the Mandated territory of South-west Africa, approved a report stating that "sovereignty,

in

in the traditional sense of the word, does not reside in the Mandatory Power". No opinion was expressed, however, as to where sovereignty does reside.

In connection with Great Britain's desire to grant complete independence to Iraq (an A Mandate), it was established that a Mandatory could only abandon its Mandate with the consent of the Council and subject to conditions laid down by it.

In an editorial in the Paris TEMPS, August 20, 1932, discussing the question of the return to Germany of her former Colonies, there appeared the following statement:

> "As a matter of fact, contrary to the ideas sometimes held, the League of Nations did not assign the Colonial Mandates. The distribution of Mandates was made as the result of an accord between the Powers. The League of Nations merely served as an intermediary where the distribution was registered and which controlled the operations of the Mandates. These have a distinctly political origin that is not within the province of the Geneva Institution to modify."

Professor Quincy Wright makes the statement:

> "Though given originally by the Principal Allied (and Associated) Powers, the Mandates once given are exercised 'on behalf of the League.'"

According to despatches from Consul Gilbert, League authorities feel that the function of the League with regard to the Mandates is that of supervision of administration and

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a sort of guardianship over the populations; they feel that the question of sovereignty is one the answer to which must be sought in the provisions of the various peace treaties. That would seem to be a correct position.

IV.

Tentative Conclusions.

1. There would appear to be no legal basis for the assumption that a Mandatory, on leaving the League, would automatically lose its rights under the Mandate system. The allocation of the Mandates was made, not by the League but by the Principal Allied and Associated Powers. This allocation was not made to particular states in their capacity as members of the League, but rather in their capacity as "advanced nations who, by reason of their resources, their experience, or their geographical position, can best undertake this responsibility". (Article 22 of the Covenant.) There appears to be no statement in any of the basic documents which would require that a Mandatory be a member of the League. The Mandatory administers the territories on behalf of the League but not necessarily as a member. The Mandatory is required to submit an annual report to the Mandates Commission, but there appears to be nothing which would prevent its

fulfilling

fulfilling this and other duties toward the League even though it was not itself a member.

2. It also appears to be questionable whether the Council has the right to divest a Mandatory of its Mandate or to change the allocation without the consent of the Mandatory. It is true that the Council has the right to modify the Mandate in accordance with Article 7 of the Mandate, although here again it is not certain that it could do this without the Mandatory's consent. A modification, however, of such an extent as to result in a change of allocation would appear to be inadmissible in view of the fact that the original allocation was made by an entirely different authority (the Allied and Associated Powers) prior to the setting up of the League of Nations.

3. The whole question presumably would have to come before the Permanent Court of International Justice, which, under Article 7, has jurisdiction in the case of disputes as to the interpretation or application of the provisions of the Mandate.

4. The original claim of the United States, as one of the Principal Associated Powers, of the right to be consulted in regard to the setting up of the Mandates, has been renounced as a result of the treaties which we have concluded with the Mandatories. Under sub-paragraph (5)

of

of Article II of our treaty with Japan, it would seem that we recognize by implication that a modification of the Mandate may be made without our consent: we merely stipulate that any such modification, unless we have consented to it, shall not affect the express provisions of our treaties with the Mandatory. None of the provisions of our treaty with Japan relate specifically to Japan's status as a League Member.

Nevertheless, the reference in sub-paragraph (5) of Article II of our treaty with Japan to the possibility of our assenting to a modification of the terms of the Mandate might serve as a useful basis for cooperation on our part with the League in any action which the latter might contemplate, in the event of Japan's resignation from the League, in regard to the Japanese Mandate.

WE:NHF
FE:SKH

PSF: Japan

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY
WASHINGTON

May 27, 1933.

File P. F.

MEMORANDUM FOR THE PRESIDENT.

Dear Mr. President:-

The accompanying letter from Minister Joseph Grew at Tokyo is so exceedingly interesting that I feel sure you will desire to read it.

Cordell Hull
C. H.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 29, 1933.

This, on Japan's military strength (both material and moral), is one of the most important documents that has come in for a long time.

I think that the Secretary will by all means wish to read it carefully before reaching London.

SKH

SKH

DEPARTMENT OF STATE

THE SECRETARY

May 29, 1933.

Dr. Hornbeck:

For your information.

Will you please return to S after you have noted.

HAMcB.

EMBASSY OF THE
UNITED STATES OF AMERICA

Tokyo, May 11, 1933.

~~CONFIDENTIAL~~

noted by Mr. Phillips 5/24/33

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My dear Mr. Secretary:

For your information I am enclosing a copy of a special report from the Military Attaché of the Embassy, describing the Japanese Army's methods of increasing its strength by means of voluntary contributions from the people and indicating, in the closing paragraphs, the tremendous military power which Japan is developing. This report gives an admirable picture of one phase of Japan's fighting strength, but I would like to describe to you, briefly, the whole picture as I see it; that is, the strength of the Japanese nation as a whole and particularly the strength of the combined Japanese fighting machine. Japan is so often spoken of as a small, overcrowded nation, cooped up within the confines of a few small islands, without natural resources, and largely dependent upon foreign sources for its foodstuffs, that people in other countries sometimes fail to appreciate the facts and to realize the actual and potential power of these people.

The Japanese Empire is not a small country, as compared with the countries of Europe, at least. The Empire

The Honorable

Cordell Hull,

Secretary of State.

itself, without "Manchukuo", has an area considerably greater than that of France or Germany and much more than that of either Spain or Italy. Including the area of "Manchukuo", which to all practical purposes is under Japanese control, the total area of Japan and its dependencies is greater than that of France, Germany, Spain, Switzerland, Belgium, Netherlands and Denmark combined. The population of the Japanese Empire proper is 90 millions; with that of "Manchukuo" it is around 120 millions, or nearly the same as that of the United States. And these people (or that part of them which is of the Japanese race) are intelligent, industrious, energetic, extremely nationalistic, war-loving, aggressive and, it must be admitted, somewhat unscrupulous. So Japan cannot be considered as a small or a weak country. Nor is it living on the verge of starvation, keeping the wolf from the door by superhuman exertions. Japan can and does raise enough foodstuffs (even without "Manchukuo") to feed the population quite comfortably, and in years of large harvests is embarrassed by the surplus of foodstuffs. However, if the population continues to increase at its present rate, the food problem will become real and pressing within the next generation. Moreover, the nation has developed its industries in recent years until it is able to supply itself with all of the

necessities of life, and can build all the ships, and make all the airplanes, tanks, guns, ammunition, chemicals, etc., needed to wage a severe war, if it is not too protracted. Furthermore, it has large reserves of war materials, such as petroleum, nitrates, etc., not produced within the country.

So much for the country and its people and industries. Turning to the armed forces of the country, it is my opinion that Japan probably has the most complete, well-balanced, co-ordinated and therefore powerful fighting machine in the world today. I do not refer to the army only, but to the combination of sea, land and air forces, backed up as they are by enormous reserves of trained men, by industrial units co-ordinated with the fighting machine and by large reserves of supplies. The different units in Japan's machine may be exceeded in size by equivalent units of other nations, but taken as a whole the machine, I believe, is equal, if not superior, to that of any other nation. Thus, France has a larger army, but a much smaller navy; Great Britain has a larger navy, but a much smaller army. The United States is weaker than Japan on land and about equal on the sea, but is probably potentially superior in the air. Of course, it would take a group of naval, military, aviation, and industrial experts to calculate accurately the relative strengths of the fighting machines of the world, but I think that if such could be done, the strength of Japan's combined machine would give a

shock to many people. The machine probably could not stand a protracted, severe war, as industrial supplies would become exhausted, but for a quick, hard push I do not believe that the machine has its equal in the world.

Relative to the strength which could conceivably be brought against it, I consider Japan's fighting machine immeasurably stronger than any other. Thus, France's army is not large if all the forces which could be brought against it in Europe are considered, nor is Great Britain's navy large when compared with the combined naval forces of the European Powers. But Japan has no potential enemy in Asia capable of defeating her fighting machine as a whole, not even Soviet Russia it is believed, while American and European countries are too far from Japan to offer any serious menace. Japan's relative strength, therefore, is much greater than that of any other Power.

However, although we are faced with this tremendously powerful fighting machine across the Pacific, I think that our anxiety can be lessened by the fact that this machine does not seem to be designed for aggressive action outside of the Far East. The Japanese fighting machine, unless I am very much mistaken, is designed for the purpose of keeping Western nations from interfering while Japan carries out its ambitions in Asia, whatever they may be. It is true

that the Japanese fighting forces consider the United States as their potential enemy, and sometimes direct their manoeuvres against a potential American attack by sea or air, but that is because they think that the United States is standing in the path of the nation's natural expansion and is more apt to interfere with Japan's ambitions than are the European nations.

Whether directed at us or not, however, I believe that it would be well for us to keep this tremendous Japanese fighting machine in mind when discussing disarmament.

More than the size of the nation or the strength of its fighting machine, however, the thing which makes the Japanese nation actually so powerful and potentially so menacing, is the national morale and esprit de corps - a spirit which perhaps has not been equalled since the days when the Mongol hordes followed Genghis Khan in his conquest of Asia. The force of a nation bound together with great moral determination, fired with national ambition, and peopled by a race with unbounded capacity for courageous self-sacrifice is not easy to overestimate.

Respectfully yours,

Enclosure:
Special Report of
the Military Attaché.

For The Ambassador

Japan.

Special Report.

NATIONAL DEFENSE PROPAGANDA
AND ITS EFFECT.

1. This office has recently secured copies of bulletins issued by the Prefectural Office, Chiba Prefecture, on the subjects of Preparedness for War; Contributions to the National Defense Fund; etc. Translations of certain of these documents are given below:

a. "Contribution for Military Planes.

International relations are at present in a very complicated and delicate condition.

The League of Nations, a body whose primary purpose should be to promote World Peace, has failed in its task, forgotten its mission, and imposed upon us such an impracticable decision that we have been forced to withdraw from membership.

An Imperial Rescript has been promulgated, indicating the broad lines along which we must exert our efforts to carry out the Imperial Will in meeting the present grave situation.

In a national crisis of this sort, it is imperative that we perfect our national defense.

We have an Army and Navy which are without parallel anywhere on earth. However, our chemical weapons and our air force are inferior to those of foreign Powers.

We have seen recently how effective airplanes are on the battlefield, and feel that when international tension is as great as it is today, we must exert all efforts to make our air force second to none.

As you know, on May 21st of last year, this prefecture donated a plane to the Army, which was paid for by contributions from all of the people of the prefecture. This plane rendered excellent service with the Kwantung Army in Manchuria, but unfortunately it was destroyed by a mid-air collision with another plane.

We regret deeply that our prefecture is not represented at the front, but we are cheered and moved by the spirit of patriotism of our prefectural people who are unanimous in their desire to contribute toward the purchase of another plane.

Until now, donations and contributions toward the purchase of weapons and equipment for the Army have been more than generous. We must not forget, however, in our enthusiasm for the Army, the debt we owe our Navy, for its splendid achievements in and around Shanghai. Moreover, the recent attention given by the Powers to certain conditions in the Pacific cause us to give thought and consideration to our Navy. No one knows what crisis tomorrow may bring.

In order to defeat an enemy attacking us from the Pacific we must first be able to destroy his airplane carriers at sea. This is the duty of our Navy aircraft, and in order to perform this duty effectively the Navy air force must be made second to none.

Here in Chiba where we are so near the possible theater of operations this is a matter of vital importance.

We appeal, therefore, to the patriots of Chiba to raise 1,500,000 yen for the purpose of purchasing planes, one of these for the Army and one for the Navy, to be presented not later than August of this year on the occasion of the Grand Air Defense Maneuvers over the Kwanto.

Let us make this unanimous throughout Chiba Prefecture.

April 25, 1933.

Sponsors: "

(NOTE: Here follows the names of the Prefectural Governor; Chief of Chiba Branch Reservists' Association; President of Prefectural Assembly; President of Chiba City Assembly; President of Choshi City Assembly; President of Assembly of Head Men of Towns and Villages in Chiba Prefecture; President of Assembly of Head Men of Towns and Villages in each Sub-Prefecture; All Chiefs of Sub-Prefecture Branches of the Reservists' Association; and Chiefs of Sub-Prefecture Branches of the Young Men's Association.

b. "Method of Collecting Contributions for Military Planes.

(1) Purpose. It is imperative that we perfect our air force in order that the Empire may be able to meet any crisis.

We desire contributions from all the people in the prefecture which will total 70,000 Yen prior to the Kwanto Air Defense Maneuvers next August.

With this money we will purchase two airplanes, one for the Army and one for the Navy.

(2) Method: Contributions will be collected in every village and town by duly appointed representatives of the Reservists' Association ob Young Men's Association therein.

(3) Closing day: May 31, 1933.

The Sponsors."

2. Reliable reports indicate that the entire Empire is being circularized in this manner.

There is little doubt that propaganda of this type is effective in fanning patriotic fervor to a high pitch.

That it is productive of concrete results is evidenced by the large quantities of munitions, weapons, tanks, planes, etc., that the War Office continues to receive from this source.

3. I desire to stress the fact that the examples cited above are not the hysterical outpourings of a jingoistic press. Rather, they are the

deliberate and calculated efforts of Prefectural Government officials.

4. As for what the press can do, the following translation of an article in the Osaka Mainichi (a fairly conservative organ) for April 27th, is offered as a typical example:

"Lieut. General Hata, Inspector General of Artillery, who has recently completed an inspection of Taiwan (Formosa) gave the following interview to our reporter on the 25th:

'The defenses of Taiwan, notwithstanding the fact that it is part of the Empire's forward defensive line, are entirely inadequate.

'No engineers or cavalry are stationed there, and in my opinion the island should have at least a force of engineers.

'Furthermore, there is urgent need for the expansion of the island's air force, a fact well recognized by the Government.

'For financial and other reasons, it is impossible for the Government to make any addition to Taiwan's air force at this time. It follows, then, that for the sake of the safety of the Empire in general and Taiwan in particular, its citizens must take this matter in hand and build planes to make up for the Army's deficiencies.

'It seems to be an established fact that America is constructing a large flying field in Canton in connection with her projected Far Eastern air route. The object of this move is quite clear. There is no cause for fear, however, even if America's purpose is to isolate Taiwan from our defensive line, but rather this action should serve us, and particularly the people of Taiwan, as an incentive for the perfection of the national defense.'"

5. As Lieut. General Hata is serving on the active list in the capacity of Inspector General of Artillery, I went over to the General Staff Headquarters to make an informal inquiry as to whether he had been correctly quoted by the Mainichi correspondent. I was promised an investigation, but was also assured that General Hata had probably been grossly misquoted.

Whether he made the statement attributed to him or not is more or less immaterial. The point I desire to bring out is that the article was not censored by the Government Bureau fully competent and capable of doing so, but was published in the form given above, and read by thousands of Japanese whose inate distrust of America will thereby, no doubt, be turned into a firm conviction as to her ulterior motives and base designs against Imperial Japan.

6. Propaganda of the type given above, while productive of great material benefit to the Japanese Army, Navy, and Air Force, is hardly conducive to the improvement of friendly relations between Japan and America.

7. As to material benefits, what with the passage of the largest military budget in the history of the Empire and the large monetary contributions toward the purchase of arms and ammunition that continue to pour in from all walks of life, the Japanese Army feels that it is, figuratively speaking, "Sitting on the World" with the entire Empire behind it. It is rapidly assuming the position of the man who was"all dressed up, and nowhere to go."

Whether it will find a"place to go" or an outlet for its exuberant spirits without plunging the world into another war, remains a matter for conjecture.

8. There appears to be no clouds upon the immediate horizon of Japan-American relations.

I am of the opinion, however, that had Japan been as well prepared at the time of the passage of our immigration act as she is today, a war would have ensued.

The wound inflicted upon Japanese pride on that occasion is still an open one today, and further and more recent causes for resentment are, from the Japanese viewpoint, innumerable.

Rightly or wrongly, Japan sees America blocking the path of her rightful destiny, and feeling runs deep and bitter.

9. A feature of this situation which offers much food for thought is that while America, the richest of the great Powers, is striving for a limitation of armaments and considering a material reduction in the commissioned and enlisted personnel of her land forces, Japan, one of the poorest, but most aggressive of the great Powers, has to all practical purposes withdrawn from the Arms Limitation Conference, is increasing her standing army, arming it to the teeth with the most modern weapons and equipment, and building up a large reserve in trained man-power and materiel - acts which combine to make her a dangerous friend and a formidable enemy.

MA/Tokyo-Report No.6777
8 May 1933

R. S. Bratton
Major, Infantry (DOL)
Acting Military Attache

File Japan PSF

DEPARTMENT OF STATE
WASHINGTON

January 23, 1934.

Dear Mr. President:

The other day at the Cabinet Meeting you asked for information in regard to a cotton concession which might be granted to Japan in Ethiopia.

As I did not have the facts at that time, I have since looked the matter up and find that, in a recent despatch from Addis Abana, reports to this effect cannot be confirmed although they were current for several weeks in Ethiopia towards the end of the past year.

Mr. Southard, our Resident Minister, expresses the opinion that it is very doubtful that the Japanese will seek any such concession, in view of the present undeveloped condition of the country, where roads practically do not exist and where the government and courts are ineffectual. It is possible that the Ethiopians might offer Japan certain inducements and liberty of operation, but we regard this as rather improbable

The President

The White House.

improbable at the present time. In this respect Mr. Southard points out that Japan appears to be following in the earlier steps of many foreign countries in much over-estimating the economic and trading potentialities of this little and backward empire. Some, at least, of the European countries are pretty well disillusioned by this time and others, including Japan, will inevitably come to the same conclusions.

Faithfully yours,

William Phillips

FST-Japan

Hornbeck.

February 2, 1934.

~~STRICTLY CONFIDENTIAL~~

The papers here attached are a first draft of what might be called a suggested "plan" for attitude and action in relation to the existing tension between Japan and the Soviet Union.

At the present moment, it is the impression of the writer that the situation between Japan and the Soviet Union is one in which the indications point away from rather than toward likelihood of resort to force in the immediate future. The factors, however, which array these two powers against each other are not in the least altered, and there is constant and continuing the possibility of war between them.

Revisions of this estimate and of the tentative "plan" hereunder will be made from time to time.

~~STRICTLY CONFIDENTIAL~~

STRICTLY CONFIDENTIAL

February 2, 1934.

Precis

RUSSO-JAPANESE CONFLICT

PROBLEM: WHAT SHOULD BE THE ATTITUDE AND COURSE OF ACTION OF THE UNITED STATES.

Predication: That developments in relations between the Soviet Union and Japan are leading rapidly toward war.

Query: What should be the attitude and course of action of the United States?

I. The United States has no vital interests at stake in the Far East. Our concern with regard to peace is one which relates to the whole world. The vital interests in the Far East are those of Japan, the Soviet Union and China; next thereafter, Great Britain.

Neither China nor the Soviet Union is or can soon become a naval power; neither is or could soon be in position to engage in any serious armed conflict with the United States. Japan, however, is a naval power, is in rivalry and competition with the United States in the fields of commerce and of influence, and has conceptions and objectives which differ widely from those of the United States. It therefore may be affirmed that the United States has little or nothing to fear from China or the Soviet Union but has much to fear from Japan.

Were

Were Japan to fight Russia and to win a substantial victory, the comparative strength of Japan would be thereby increased and the Japanese would feel more confident than they now are of their ability successfully to resort to force in relations with the United States.

It follows that we could not view with complacency a Japanese military victory over the Soviet Union.

We therefore should so steer our course as to insure, as far as possible, against such an eventuality.

Toward maintenance of peace in the Far East, it is desirable that there develop as among China, the Soviet Union and Japan, a position of relative strength more nearly approximating a balance of power than is inherent in the present situation. This is likely to be achieved only if China grows stronger, Russia remains at peace, and the military spirit and power of Japan are kept in check.

II. It should therefore be the intent and effort of the United States:

1. To help China toward internal improvement;
2. To help the Soviet Union likewise;
3. To discourage the militarism of Japan;
4. To work toward preventing war;
5. In the event of there beginning a war to which Japan is one of the parties, to see to it that Japan does not emerge the victor.

We

We can make it evident that we sympathize with the efforts of China and the Soviet Union to develop along peaceful lines. We can endeavor to convince the Japanese people that we have no aggressive intentions but that we can and might fight.

We should discourage any impressions that we have a secret understanding with the Soviet Union. We should be friendly and cordial in relations with the Soviet Union and with Japan. If we extend credits to the former, we should make a gesture of willingness to be equally accommodating in our dealings with the latter. We should not enter into a bilateral non-aggression pact with Japan; we might enter into a four- or five-power non-aggression agreement; and we should not make any unilateral commitment not to use force in the Far East. We should proceed firmly and rapidly with our naval program and should allow nothing to divert us therefrom.

We might be able to bring about active efforts on the part of the British Government toward preventing war.

It might be helpful were the British and the American Governments to give notice that they stand for the principle of freedom of the seas.

If hostilities between Japan and the Soviet Union become imminent, we should call attention to the Kellogg Pact.

III. If

III. If and when hostilities between those countries begin, we should at once take a position of neutrality. We should not at the outset impose an embargo on exports. As the war progresses, we should shape our program of "preparedness" on the theory that we may at the psychological moment throw our armed forces in on the side of the Soviet Union. In connection with the question of the attitude of other powers, we should await the taking of an initiative by Great Britain. We should take the position that both belligerents, by the fact of having gone to war, have violated the rights of all signatories of the Pact of Paris. We should expect action by the League of Nations. We should make all plans, however, on the assumption that before the war is over we may be drawn in.

Our best course toward prevention of war either between Japan and ourselves or between Japan and the Soviet Union lies along the lines of diplomatic and military preparedness. Our best course, in contemplation of a possible war between Japan and the Soviet Union lies along the line of preparedness for most effective and least expensive action on our part when and after such a war shall have begun.

STRICTLY CONFIDENTIAL

January 31, 1934.

RUSSO-JAPANESE CONFLICT

PROBLEM: WHAT SHOULD BE THE ATTITUDE AND COURSE OF ACTION OF THE UNITED STATES.

For the purpose of what follows, the assumption is made, without in any way implying a prediction, that developments in relations between the Soviet Union and Japan are leading rapidly toward war. What then should be the attitude and course of action of the United States?

- - - - - - - - -

I. It is the opinion of the undersigned that the United States has no vital interest at stake in the Far East. Our concern with regard to the Far East began with problems of commercial opportunity and missionary enterprise. We have not yet developed there a large financial investment; our trade with that part of the world, though important, is by no means vital to us -- as yet; and we shall never find in the Far East a place for population colonizing. At most, in the event of war in the Far East, our interests there would be subjected only to interruption, not to termination. Our concern with regard to an interest of principle, an ideal, that of peace, is one which related

not

not peculiarly to the Far East but to the whole world. The vital interests involved in any armed conflict in the Far East are those of Japan, the Soviet Union and China. After those countries, the country whose interests will be most affected by such a conflict is Great Britain; and after Great Britain, Holland.

However, the question of the general course of developments in the Far East is one which cannot but be of great concern to this country. China and the Soviet Union are both continental countries, and neither of them is or can in the near future become a naval power; both of them have within their existing boundaries substantial undeveloped resources and room for increases of population. Both of them have problems and opportunities within their own borders sufficient to occupy their attention. Neither of them regards the United States as a rival, a competitor or an enemy. Neither of them is or could be for a long time to come in position to engage in any serious armed conflict with the United States. -- In contrast, Japan is an insular country and a great sea power. Japan has not adequate resources or room for increase of population within her own boundaries. Japan is actually embarked on a course of imperialistic expansion. Japan has within the past forty years made war upon both of her nearest neighbors, China and the Soviet Union, has used force repeatedly against one

of

of them, China, and during the past three years has made threatening gestures in the direction of the Soviet Union, of Great Britain, and of the United States. Japan and the United States, facing each other from opposite sides of the Pacific Ocean, actually are rivals and competitors, in the field of commerce and for influence, and the Japanese people have been taught by their leaders and are convinced that the United States is an enemy. Unquestionably, the political theories and the principles, the conceptions of national and international right and justice, and the objectives in the field of international relations of Japan and of the United States differ very widely and seem in several respects irreconcilable. Under the best of circumstances, these could be harmonized only by and after substantial changes in the psychology of one or other or both of the two nations. Such changes, if at all possible, can occur only very gradually and would require for their realization either many years of peace or a violent shock such as an armed conflict resulting in a decisive victory for one or the other of the two nations.

It therefore may be affirmed that the United States has little or nothing to fear from China or the Soviet Union and has much to fear from Japan.

Japan is clearly "on the make". The Japanese people are virile, the nation is growing, they have developed an appetite for "expansion", and they are willing to fight in order to

increase

increase the wealth, the power and the prestige of their country. Were Japan, in a conflict with the Soviet Union, to win a substantial victory, the power of the Japanese State would be greatly increased. Of course, the hazards which would attend their course thereafter would be increased; but, it may be assumed that, for sometime at least, the comparative strength of Japan as a rival to, a competitor of, and a potential military adversary of the United States would be greater in immediate consequence of such a victory than it is now. Having defeated the Soviet Union in war, the Japanese would feel more confident than they now are of their ability successfully to resort to force in their relations with the United States.

It follows that we could not view with complacency a Japanese military victory over the Soviet Union.

We therefore should so steer our course as to insure, as far as possible, against such an eventuality.

Except for the existence of certain apparently insoluble questions in the European situation, the greatest menace to peace today arises out of (1) the weakness of the Chinese State and the inability of the Chinese people to cooperate effectively in the field of political action, on the one hand, and, side by side therewith, on the other hand, (2) the existence among the Japanese of a psychology which renders them bellicose, together with possession by them of a great and constantly increasing aggregate of military agencies and instruments.

instruments. It may be doubted whether there will be any chance for a régime of peace and security in the Far East and in the Pacific Ocean until both of these factors have undergone substantial modification. Chinese weakness would be less of a menace if it were not for Japanese strength. Japanese strength will become more of a menace if it is increased in consequence of a victory over Russia.

All of this points toward the desirability of an evolution in the course of which the opposing national forces in the Far East -- the forces of China, the Soviet Union and Japan -- be brought into a position of relative strength more nearly approximating a balance of power, and therefore approaching an equilibrium, than is inherent in the situation now. This is likely to be achieved only if China grows stronger, Russia remains at peace, and the military spirit and power of Japan are kept in check.

II. It should therefore be the intent and effort of the United States:

1. To help China toward internal improvement by peaceful processes;

2. To help the Soviet Union in the same sense;

3. To discourage over-development of the military spirit in Japan and abuse by that country of the military power which it possesses;

4. To work toward preventing war in the Far East;

5. In

5. In the event of there beginning a war to which Japan is one of the parties, to endeavor to confine the military operations to the Far East and to keep the United States from being drawn in, but to see to it that Japan does not emerge the victor.

There is not a great deal that we can do on the positive side toward assisting China and the Soviet Union. On the negative side, however, we can make it evident that our sympathies are with those countries in their efforts to develop along peaceful lines. There is little that we can do toward discouraging militarism in Japan, except in the field of convincing the Japanese people (if possible) that (1) we have no aggressive intentions in regard to Japan but that (2) with sufficient provocation we can and we would fight and win.

The feature in the Far Eastern situation which now gives greatest occasion for immediate apprehension is that of the threat of war between Japan and the Soviet Union. The American Government should do all that it can toward preventing this threat from developing into an armed conflict.

It is believed that, toward prevention, and in accordance with our general desire for world peace, we should discreetly let it appear that our sympathies are and in the event of such a war would be with the Soviet Union. However, we should avoid the creating of any false impression and we should combat the suspicion that we have any secret understanding with the Soviet Union.

It

It is believed that in relations with the Soviet Union we should maintain and cultivate an attitude of cordial friendliness, but that we should take no step which would give Japanese military leaders ground for representing to the Japanese people that we are encouraging and aiding the Soviet Union in preparation for an attack by that country upon Japan. In case we make a loan or an extension of credit to the Soviet Union, we should make a gesture of willingness to be equally accommodating in our dealings with Japan.

It is believed that in relations with Japan we should likewise maintain and cultivate an attitude of cordial friendliness, but that we should take no step which would tend to create among the Japanese people an impression that the military power of this country would in no circumstances be thrown into the scales of a conflict in the Far East or which would stand in the way of our throwing the weight of that power into those scales if and when, given such a conflict, we might feel it expedient and right to do so. We should not enter into a "non-aggression" pact with Japan on any basis narrower than that of a four or five-power agreement to which not only Japan and this country but also the Soviet Union, China (and desirably Great Britain) would be parties. Nor should we make any unilateral commitment not to use force in the Far East.

It is believed that we should proceed rapidly, and with no hesitation or interruption, upon our program of naval construction (and training and equipment of naval personnel). No matter what suggestions or gestures (or threats?) any

other

other country may make, we should not at this moment, with the world situation what it is and our problems of the next three years what they are, be diverted in the least from our commitment to and progress with that program.

It is believed that we might discreetly and by skillful diplomacy bring about active efforts on the part of the British Government toward preventing this war. Both the Soviet Union and Japan have had occasion in the past to pay a good deal of attention to the position taken by the British Government. Any step, however, which we might take toward that end should be taken with ample care, -- so as to avoid, in the process of taking it and of proceeding with it, increasing Japan's suspicion of this country and the conviction entertained in some quarters in that country that the United States is in fact the greatest obstacle to the achievement by Japan of her "destiny".

It is believed that it would be a substantial contribution to the cause of peace and a great deterrent to embarkation by Japan upon any aggressive move which she may have in contemplation against the Soviet Union were the United States and Great Britain, either separately or together, but simultaneously, to announce that, in the event of the outbreak of any war they would insist in fullest measure upon strict respect by the belligerents for the principle of freedom of the seas. It therefore is believed that the American Government

ment should explore the possibility of bringing about the taking by these two countries of such a step.

If and when hostilities between Japan and the Soviet Union become imminent, we should call the attention of both antagonists to their obligations to the Kellogg Pact and the serious responsibility of each to the other and to the world in connection therewith.

III. If and when hostilities between those countries begin, the United States, having no vital interest immediately at stake, should at once take a position of neutrality. The American Government should, however, assume that before the conflict is ended this country probably will find it essential to throw in its resources and influence and possibly its military strength on the side of the Soviet Union. The psychology of the Japanese nation more nearly approximates that of the German nation before the World War than does that of any other people today. It is altogether likely that in the course of this conflict the Japanese will make mistakes of diplomatic and military strategy and tactics comparable to those which the Germans made, with the result that other countries will be drawn into the conflict in opposition to them. The countries most likely thus to be drawn in are the United States and Great Britain. However that may work out, there is warrant for assuming that in the early stages of the war, the Japanese will inflict serious military reverses upon the Russians. Rather than permit Japan to impose upon the Soviet

Union

Union a dictated settlement, based on a Japanese victory, the United States should go to the aid of the Soviet Union. We of course could not possibly agree in advance to take the side of either of the antagonists; and we could not at the outset take sides; but we could and we should see to it that Japan does not win a clear victory.

In the early stages of the war we should conduct ourselves along very much the same lines as those which we followed in 1914. We should not place obstacles in the way of exports; not, at least, until it may have become evident that a flow of exports from this country is working definitely to the advantage of Japan and to the disadvantage of the Soviet Union. We should quietly but definitely and effectively proceed with a program of bona fide education of the American people with regard to the responsibility for, the factors at issue in, and the possible eventualities, as regards our interests, of the conflict. We should make preparations on a basis of complete governmental control of man power (both as regards military service and as regards economic service) and of capital (including all economic resources). We should speed up the construction of our Navy and should perfect our technical "war plans". All the while watching developments, we should proceed on the assumption that if and when the tide of battle runs strongly in Japan's favor we will at the "psychological moment" throw our armed forces in on the side of the Soviet Union.

It

It is doubted whether we could count with any assurance on there being followed a parallel course by any of the European countries. It is doubted whether we should take any direct initiative toward formulating proposals for joint action; it is suggested that at least defer doing this until such time as we are prepared to act on the basis of our own independent decisions and to talk with them on the basis of offering them an opportunity to "go along with" us. Great Britain will have more at stake in the Far East than will we. Her problem is more complicated than is ours, with the result that she throws into any consideration which she gives to questions such as those of cooperation (partial or complete) with us or other countries a larger number of component factors than do we. We could afford to await the taking of an initiative by the British Government, in the event of which we would be in better position to gain acceptance of our views than if the initiative were taken by us. We would need throughout to be on guard against situations such as arose out of the making during the World War by Great Britain and other countries of secret treaties with Japan.

We should take the position at the outset that both belligerents, by the very fact of having gone to war, have violated our rights -- and those of all other signatories of the Pact of Paris. We should see to it that the League of Nations exert itself on behalf of international cooperation toward

toward restricting the area of military operations and bringing the conflict to an end. We should make our plans, however, on the assumption that before the war is over we will be drawn in. If there is any chance of our avoiding that eventuality, procedure by us on the theory that the chance is very slender will be the best way to cultivate that chance. Had the Germans known definitely that this country would, if offered such provocation as they ultimately offered it, enter the World War, they probably would not have offered that provocation; if they had been confronted with definite and substantial evidence that we were prepared to follow up our protests with effective military action, they would almost surely not have done so.

Our best course toward prevention of a war between Japan and the United States lies in the field of military preparation such that the Japanese will not attack us. Our best course toward prevention of a war between Japan and the Soviet Union lies along the lines of diplomatic and military preparedness. Our best insurance against being drawn against our will into a war, if and when, between Japan and the Soviet Union lies along the same lines. Our best course of procedure in contemplation of what is likely to occur in case and after those countries go to war will lie along the line of preparing ourselves for the most effective and the least expensive carrying out, when that happens and if we are drawn in, of any measures which ~~may~~ might then become essential for the safeguarding of the principles and interests of this country.

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STRICTLY CONFIDENTIAL

PSF: Japan

Japan

In reply refer to Initials and No.

NAVY DEPARTMENT
OFFICE OF CHIEF OF NAVAL OPERATIONS
WASHINGTON

SECRET

3 February, 1934.

My dear Mr. Bullitt:

I am inclosing herewith a brief memorandum answering the questions which you took up with me, as I understood them.

If there is any further information you wish please let me know.

Sincerely yours,

W. H. Standley

W. H. Standley,
Admiral, U. S. Navy,
Chief of Naval Operations.

Incl.

Mr. William C. Bullitt,
Room 201, State Department,
Washington, D. C.

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Date- 11-7-63
Signature- Carl L. Spicer

In reply refer to Initials and No.

Op-12A-CD

NAVY DEPARTMENT
OFFICE OF CHIEF OF NAVAL OPERATIONS
WASHINGTON

SECRET

3 February 1934

MEMORANDUM FOR THE CHIEF OF NAVAL OPERATIONS

1. In a Russo-Japanese war, the Japanese objectives lie in eastern Asia. Japan would endeavor to fight a limited war. The limited objectives most probably lie within the Siberian provinces of Primorskaya and Amur and in eastern Outer Mongolia with land operations no further to the westward in Siberia than the railway junction of Karimskaya. With her objectives in this area obtained, Japan would probably desire and expect to conclude a treaty of peace with Russia.

2. Little is to be gained by Japan by extending her objectives beyond the bounds set forth in paragraph 1 above. Although the whole world might contribute resources to Russia through the Baltic and the Black Seas, the fact remains that the use of those resources by Russia in eastern Asia is limited by the capacity of the trans-Siberia railway. Aside from its being of no great value to Japan to intercept supplies to Russia passing through the Baltic and the Black Seas, the difficulties of maintaining on station a naval force sufficient to maintain a blockade so far distant from bases would prove almost insuperable. In addition, the attempt to establish local bases off the Baltic, in the Mediterranean or even off the Straits of Aden would create complications with nations that Japan would prefer to remain neutral and would entail additional efforts on her part.

3. Japanese naval preparations are without doubt for the purpose of making any intervention in a Russo-Japanese war by the United States or Great Britain an unattractive proposition. If the Japanese Government estimates that the United States or Great Britain might intervene in such a war, then Japan will not take any measures that will lessen the advantage of Japanese naval

SECRET

preparedness. Japan will retain its naval forces concentrated in a manner best calculated to deter intervention on the part of the United States or Great Britain. Control of the sea in the Western Pacific, as against Russia, is essential to Japan to guard her commerce and to move troops overseas without interference from Russia. The naval forces of Japan will undoubtedly remain concentrated in Japanese home waters, with observation and patrol forces in the Marshalls, the Bonins, the Pescadores Islands and off the eastern coast of Honshu.

4. The following are conclusions as to the use of Japanese naval forces in a Russo-Japanese war:-

(a) Japanese naval forces will remain concentrated and on guard in the Western Pacific;

(b) Japan will fight a limited war, confining her objectives to eastern Asia, particularly to Primorskaya, Amur and eastern Outer Mongolia;

(c) Japan will not attempt a blockade of the Baltic, the Black Sea or the Red Sea, because it will cause dispersion, because of lack of bases in these localities and because of complications that may arise with neutrals.

S.

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11-7-63
Signature- Carl L. Spicer

NAVY DEPARTMENT

OFFICE OF NAVAL INTELLIGENCE

WASHINGTON

In reply refer to No.

Op-16-B-11

31 January 1934.

Memorandum for the Chief of Naval Operations

Pertinent Factors in Soviet-Japanese Situation

There is an ominous undertone in Soviet-Japanese relations which may portend the development of hostilities at a not too distant date. The internal Political situation in Japan itself must be considered as one of the factors likely to force action by the Japanese government.

A. Factors in Japanese Domestic situation likely to force war.

1. A gaining tendency on the part of the political leaders to criticize the leaders and actions of the super nationalistic group now in power.

2. A growing demand that the military leaders be more specific in their statement that Japan faces a crisis.

3. Discontent and growing unrest among the farmers who have received no relief despite promises of aid from the groups now in power.

4. A gradual widening of the rift between two groups (a) those who would reorganize the whole country on the basis of a national state in which all property would belong to the state and the entire nation be organized along military lines either for war or for international economic competition and (b) those who favor a return to the industrialization of the country along European-American lines with consequent increase in power of the commercial element in society.

There is no doubt that a whole hearted return to industrialization under the individual profit system of America and Europe is at present repugnant to a large and influential group of Japanese whose leaders are the leaders of the Military-Naval clique and the leaders of the semi secret nationalistic societies. These groups have had the support of the financially oppressed peasant farmer group and a large proportion of the "white collar" and laborer groups who have been captivated by visions of grandeur and economic security to be gained from military conquests and a reorganization of the country along the lines noted above.

B. Factors operating to cause Japan to select Russia as her opponent.

The faction now in power in Japan, which is the group noted above, engineered the Manchurian and Shanghai incidents, and have had the hearty support of an overwhelming majority of the population. There are signs as noted above that this support is commencing to waver. An almost certain method of steadying this support and strengthening their hands to carry out their ideas in Japan, is to bring on a serious crisis with a foreign country. Soviet Russia seems to be the logical choice for an opponent because

1. She is powerful enough to cause real apprehension among the Japanese, causing them to unite behind the leaders of the moment.

2. She owns valuable fishing grounds off Siberia which form a very considerable source of Japanese food supply, which might be taken with profit to Japan.

3. Her communistic doctrines are a constant threat against a feudalistic caste system of government, as well as against a capitalistic form of government.

4. A war against her offers fairly good prospects of success with enhanced prestige.

5. The active spreading of Soviet doctrines in China and Mongolia is a serious force opposing Japanese dreams of political and commercial supremacy in Asia.

6. The growing power of the Soviets is therefore a menace to Japanese aims and policies which in time may become too great for Japan to successfully oppose.

C. Recent events and conditions indicating possibility of war.

In the light of the above factors the following recent moves and rumors take on a significance which is not to be lightly minimized.

1. The movement for autonomy and allegiance to the Manchu throne by the Mongol Princes of outer and inner Mongolia, nurtured by Japan.

2. The prospective elevation of Pu Yi to the throne with the title of Emperor of the Great Manchu Empire (In its heyday this Empire included all of Asia East of the Ural Mountains; and it was only as late as 1858 that Russia by the treaty of Aigun obtained from the Manchu Emperors of China all the territory on the left bank of the Amur river and east of the Ussuri river. This includes the Maritime Province and Vladivostok. China attempted to repudiate this treaty but it was later confirmed by the treaty of Peking concluded in 1860.)

3. The building of the Japanese strategic railway network in North Manchuria which has been pushed throughout the winter, is complete in its major elements, including a new sea terminus at Rashin, Korea, with the single exception of the railway line from Peianchen to Taheiho but on which work is being actively pushed and which is scheduled to be completed within the current year.

4. Reports, based on rumors, indicate that the Japanese forces in North Manchuria have been considerably augmented.

5. Japanese munitions and airplane factories are working at maximum normal capacity.

6. There has been marked volume buying abroad by the Japanese of Nitrates, copper, petroleum, and scrap iron.

7. Japanese shipyards have been instructed by the Navy Department not to accept repair work on vessels that will take longer than the next thirty days to complete.

8. The Japanese Army has quietly concentrated a large amount of artillery and field rolling stock in North Manchuria.

9. Japanese have just recently started the incitement of White Russians against the Soviet officials of the Chinese Eastern Railway at Harbin.

10. Japan's agent provacateur par excellence, Major General Doihara, has recently been sent to North Manchuria.

11. The weather of the region favors military operations during March, April and the early part of May.

12. Just before his resignation as Minister of War, General Araki sent a circular letter to the nationalistic societies enjoining them to be ready as the long awaited national crisis was near at hand. Much nearer than anyone had thought.

PSF

Japan

DEPARTMENT OF STATE
WASHINGTON

February 5, 1934.

~~CONFIDENTIAL~~

My dear Mr. President:

In accordance with your instructions I submit herewith some thoughts on the attitude to be adopted by the United States in case of a war between Japan and the Soviet Union.

(1) An attack by Japan on the Soviet Union this spring seems less likely than it did a few weeks ago.

(It now seems probable that Japan will turn her attention this year to the domination of North China, Mongolia and Chinese Turkestan.)

(2) In case war seems imminent the Government of the United States should call the attention of the Japanese and Soviet Governments to their obligations under the Kellogg Pact.

(3) As soon as war is declared the President should announce the neutrality of the United States.

(4) In the event of war, Navy expects Japan to confine operations to Far Eastern waters.

(An Atlantic blockade would be illegal. A blockade to be legal would have to be established in Russian territorial waters in the Gulf of Finland and the Black Sea.

The President,
The White House.

Sea. The physical difficulties of maintaining such a blockade and the danger of involving neutrals make such a blockade improbable.)

(5) Japan could and would establish at once a legal and effective blockade of the Pacific coast of the Soviet Union.

(6) As the Soviet Government is the only purchasing agency in the Union, all exports to Russia in time of war technically will be contraband.

(7) It would be physically impossible for American vessels to run the blockade of the Pacific ports of the Soviet Union.

(8) American vessels unmolested could reach the Black Sea ports and Leningrad.

(9) In view of (7) and (8), the risk of our being involved in the war would not be diminished by forbidding American ships to trade directly with the warring powers and such prohibition would inflict unnecessary hardship on the U. S. Merchant Marine.

(10) In case Navy should be mistaken and Japan should attempt to blockade Leningrad and the Black Sea ports of the Soviet Union, it would be advisable to forbid American ships to trade directly with either of the warring powers.

(11) In that event we should make certain that our trade with the Soviet Union via Helsingfors, Tallinn, Memel, Koenigsburg, Danzig, Gydnia, Hamburg, et cetera, will not be molested.

(12) We

(12) We should insist, therefore, from the outbreak of hostilities that contraband goods if destined to a neutral port shall not be interfered with -- (under the doctrine of continuous voyage) -- in the absence of clear proof that they are immediately destined to a warring state. If it can be shown that the goods are to become part of the common stock of the neutral country, the right of seizure shall not exist.

(13) This policy would not interfere with Japan's blockade in the Far East as there is now no communication by land between China and the Soviet Union.

(14) In order that we may not be isolated in taking this position, it seems advisable to agree in advance with Great Britain that in the event of an attempt by Japan to establish an Atlantic blockade the United States and Great Britain will declare that while they are neutrals they will insist that their commerce with other neutral states be unmolested unless it can be shown clearly that the immediate destination of the cargoes is one or another of the warring powers.

(As in the case of the Kellogg Pact, other powers should be invited to adhere to this agreement.)

(15) The advance discussion of naval ratios which the British Government has proposed seems to offer an appropriate opportunity to feel out the British in regard to future joint action of this sort.

(In this connection, as a long-time policy, it seems advisable for the United States and Great Britain

to

to adopt a strict definition of "contraband" -- vis-a-vis each other at least -- such definition to be that adopted by the London Naval Conference of 1908-09.)

(16) The best insurance against the United States being drawn into a war between Japan and the Soviet Union is a large navy. In the event that Japan begins to build above her present ratio, we should speak softly and build three ships to her one.

I append memoranda from Navy, Mr. Hackworth and Mr. Hornbeck.

Yours very respectfully,

William C. Bullitt

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

May 23, 1934.

Mr. Secretary:

In connection with the Japanese Ambassador's suggestion that there be made by the American and the Japanese Governments a joint declaration , -- please see pages 26-29 of the memorandum attached to the letter sent to the White House under date April 20 (memorandum of April 14), copy of which is here attached.

SKH

FE:SKH/ZMK

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.

DEPARTMENT OF STATE
WASHINGTON

April 20, 1934

Dear Mr. Howe:

Just before his departure today, the Secretary of State asked that there be sent, for the President's perusal, the memorandum here attached.

This memorandum was prepared in connection with anticipation, on the basis of hints which have been coming steadily from Japan during recent weeks, that the Japanese Government is contemplating approaching this Government with some "proposal" or "proposals". In it there are an estimate of the present situation from point of view of the general problem of Japanese-American relations, suggestions with regard to what might be the official attitude and procedure here, and a listing, with comments, of several "proposals" of which it is conceived that the Japanese may contemplate laying before us one or more.

May I request that you bring this matter to the President's attention.

Yours sincerely,

William Phillips

Enclosure.

The Honorable

Louis McH. Howe,

Secretary to the President,

The White House.

April 14, 1934.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

Mr. Secretary:

In response to your request that possibilities be considered in connection with the likelihood, in view of reports from various quarters, that the Japanese will in the near future approach this Government with some type of "proposal", there is submitted the memorandum here attached. (With the thought that you may wish to show this memorandum to the President, there is also attached a carbon copy.)

In this memorandum there are presented considerations relating to the immediate future in connection with the problem of Japanese-American relations.

SKH:EJL

SKH

DEPARTMENT OF STATE

THE SECRETARY

[illegible]

Original to W.H.

G.H.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

April 14, 1934.

Mr. Secretary:

This memorandum is lengthy. I had thought to prepare a table of contents. But, in the light of careful study of the contents, I feel that the memorandum should be read in its entirety.

The material is divided, however, into two parts:

A (pages 1-8) which deals with background, and

B (pages 9-38) which deals with problems of attitude and procedure.

At and after page 14 there is discussion of particular proposals which may possibly be made by the Japanese, of which there are listed and treated separately ten.

It is felt that special attention should be called to pages 9-13 and pages 34-38.

SKH:EJL

SKH

CONFIDENTIAL

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

April 5, 1934.

PROBLEM OF JAPANESE-AMERICAN RELATIONS:

Considerations Relating to the Immediate Future:

Estimate of Policy and Suggestions of Strategy.

A.

I. The real problems of Japanese-American relations arise out of and revolve around facts and factors in the Far East. They have very little to do with facts and factors on this side of the Pacific Ocean. (NOTE: The question of Japanese immigration into the United States may be regarded as a special exception; but it is a problem the solution of which calls for changes within the United States before the Department of State can to advantage take any position in reference thereto in the field of external relations.)

There are two things that stand in the way of Japan's progress under the concept of a "manifest destiny": (1) the political concepts and principles of policy of certain other countries; and (2) the actual or potential military and economic power of certain other countries (NOTE: Treaty provisions, past, present or future, should not be regarded as constituting serious obstacles to action by Japan along the line of political -- and probably territorial -- expansion in Asia).

II. What

II. What the Japanese especially desire at the present moment is relief from any apprehension of possible action of restraint or coercion (sooner or later) by or from the United States and/or Great Britain. If Japan could be sure that the United States and Great Britain would stand completely aside, Japan could (and probably would) rapidly proceed with new steps in a program intended ultimately to establish Japan's authority not only in Manchuria and Mongolia but in certain portions of China and of Siberia.

Hence, Japan's diplomatic efforts are being directed toward bringing about the adoption by the American and the British Governments of policies of surrender or abandonment, with regard to interests, both actual and potential, in those adjacent regions, especially in China. They seek, if possible, that such abandonment be consummated in fact; but that, if it cannot be brought about in fact, it nevertheless be brought about in appearance. Contributory thereto and in connection therewith, they desire that there shall be such developments in the field of comparative naval strength that Japan shall become invulnerable in the Pacific Ocean north of Singapore and west of Hawaii.

III. At

III. At the present moment the group in control in Japan is endeavoring to arrive at a decision with regard to the next active steps forward to be taken by Japan. They apparently have excluded (for the time being at least) from consideration the idea of war with the United States. They apparently do not feel prepared to begin a war with Russia. Their thoughts seem to be directed toward possible taking of further steps in relation to China, steps which would especially affect Mongolia and North China. In connection with their consideration of this matter, the question of the actual or possible attitude of the United States and of Great Britain is of importance to them. They therefore are assiduously attempting to discover what is and what may be the present thought of the highest officials in the United States and in Great Britain; and, while making that attempt, (a) to bring about on the part of those officials an attitude as far as possible favorable toward Japan, of indifference or disfavor toward China, and of willingness to overlook or to countenance further use of force by Japan toward coercion of China, and (b) to elicit any action or statement that may indicate or may be used to suggest (in diplomatic connections or in publicity) that such is the attitude of those officials.

IV. In

IV. In general, the United States and Great Britain are committed along with many other powers to the ideal of world peace. These two powers along with many others believe in the principle of naval disarmament. But the Japanese nation cares little about world peace and is utterly skeptical with regard to disarmament -- except as agreements to disarm may make it possible to bring about relative increases in Japan's armed strength.

In their approach to any of the so-called "problems" or "issues" in relations between Japan and the United States, Japan's spokesmen make it a point to rely heavily upon the fact that the American Government and people are imbued with a certain emotional idealism and are enamoured of certain idealistic concepts with regard to international relations. They endeavor to induce the American Government to make to the Japanese Government real concessions desired by Japan, in connection with Japan's Asia policy, in return for nominal adherence by Japan to idealistic objectives to which the United States is committed in connection with world problems. Regularly, the Japanese ask for concessions in fact by this country as the price of concessions in principle (or to principle) by Japan.

V. It

V. It is the view of the writer that the United States has no "Far Eastern policy" as a thing separate from and different from our foreign policy in general. We have a world policy (i.e., a general "foreign policy"). That policy, in its application in and with relation to the Far East (especially in relation to China), has had certain particular manifestations; to those manifestations there have been attached certain labels (such as "the Hay doctrine", "the open door policy", etc.); but these supposedly special policies are in fact special only in name. Often, a mere detail of action in our conducting of our relations with the Far East has acquired the reputation of a special item of policy, whereas in fact the action in question is merely a matter of strategy or tactics in application of a general principle which, given a similar situation, we would (or do) apply in any other part of the world. To illustrate: the concept of the "open door" has been and is applied in determining our attitude and that of other countries toward problems elsewhere (especially in Africa) similar, mutatis mutandis, to those which are met with and dealt with in connection with China. Also illustrative, the concept of "non-recognition" (resorted to and declared by the American Government in 1915 with regard to developments in China, in 1921 with regard to developments in Siberia, and in 1932 with regard to developments in Manchuria) is a concept which has its roots in Occidental (and particularly American)

thought

thought with regard to the value of regulation of international relations by treaties and the necessity, in connection therewith, of respect for treaties. The idea was and is one which could be made use of in regard to situations in any other part of the world and by any countries which might choose to make use of it. We have in fact made use of it with regard to a situation in South America. The League of Nations in fact saw fit to make use of it, as did we, in relation to the situation in Manchuria. It could be used by any or by all the powers in relation to any and every situation where unlawful means are about to be, are being, or have been resorted to toward attainment of unlawful ends. Its potential application is general and not restricted to the Far East.

VI. The

VI. The Japanese Government has intimated recently that it intends to make to us some suggestions for action which would improve relations between Japan and the United States. The Japanese press and various Japanese spokesmen have given some indication of various possible proposals which the Japanese Government is alleged to be considering. Among these are: a proposal for a bilateral non-aggression pact; a proposal that the United States amend its immigration act; a proposal that the United States "recognize Manchukuo"; a proposal that naval ratios be discussed in advance of the holding of a naval conference, with a view to there being arrived at an understanding that the naval ratios shall be revised upward in Japan's favor. The most outspoken of Japan's public men not in office at the present moment and not in military service, Mr. Matsuoka, has recently stated that the United States must stop "bullying" Japan, that the United States must give recognition (and assent) to Japan's "Monroe Doctrine for Asia", that the United States must cease to be especially friendly toward China and toward Russia, that the United States must admit the right of Japan to naval parity, etc.

It may well be doubted whether the Japanese Government will formally put forward proposals on any of these lines; and still more whether, if it puts forward any of these proposals, it will do so with the expectation of their being given a favorable response. The strategy which the Japanese

Government

Government is apparently employing is that of unofficial or informal suggestions by prominent Japanese (in or out of office), inspired statements in the press, ballons d'essai of one type and another, various types of "hands across the sea gestures", etc., intended to implant certain ideas in the minds of officials and of the public abroad and to elicit indications of official thought (and intent) and of public opinion abroad, especially in the United States and in Great Britain.

VII. The

B.

VII. The question then for us is: (1) What, in the presence of the Japanese effort to mold opinion and to elicit expressions of official thought in this country, should be the attitude of the American Government and (2) what should be our procedure.

It is believed that there is no need for any revision of American policy in regard to the Far East or for any change of position with regard to any feature of the general "set-up" which now prevails in the Far Eastern situation. Our policy is one which has evolved in the course of a century and a half of contact with the Far East wherein our effort has been to promote and safeguard by lawful (and peaceful) means interests which have grown and which exist there legitimately. In general, our policy is just what the history of our efforts shows it to have been, that of seeking to maintain for the United States and American nationals and interests, by peaceful means, rights which are theirs under the general principles of international law and/or the express provisions of treaties. This policy does not envisage and is not directed toward any acquisition by the United States of territory or of local political responsibilities in the Far East; and it does not seek to obtain for the United States or for American nationals and interests any special or exclusive rights, titles or privileges. It neither contemplates nor involves any use

of

of armed force on our part for any purpose other than that of clear-cut protection -- where local authorities are unable to afford protection -- of life (and in connection therewith, of property). It calls for no taking of sides as between other nations which may engage in conflicts (with or without armed hostilities) there. Above all, it involves no intention or thought on our part of employing arms for the purpose of enforcing our views or of advancing any interest which we have or may have in or with relation to that part of the world. (NOTE: This, however, is one of those things which, well understood among ourselves and among thoughtful, well-informed and disinterested observers in many places, should not be officially and formally affirmed either in public or in conversation with officials of other governments, especially those of governments most directly and most vitally concerned in the Far East, -- for official and formal affirmation of such a position would tend to encourage disregard of our views and indifference to our interests on the part of other governments inclined to such courses.)

Any changes for which there may develop need in our policy, our strategy, and/or our tactics, can and should be made quietly, without announcement, and without abruptness; and without commitment to any other (one) power.

VIII. With

VIII. With regard to attitude, it is believed that our intention should be to "stand pat". We should be good "listeners", but in regard to any suggestion that any move -- especially one involving a concession or "change" of any sort on our part -- is called for or is in order, we should make no admission or affirmation until we have had time and opportunity to scrutinize the suggestion and the contentions made in support of it.

We have certain clear rights and obligations in the Far East with regard to: (1) American citizens and interests there, (2) countries, governments and peoples there, and (3) other countries with which we have in common certain rights and obligations there and elsewhere. Our position and that of American citizens and interests in the Far East rests for the most part upon provisions of treaties. The question of any move or any statement which we might be asked to make should be carefully thought over from point of view of our existing legal commitments and our moral responsibilities in connection with other (all other) countries and with reference to the effect which such move or statement would have on the interests and rights both of this country and of other countries and on the general situation.

There is no reason why we should especially "favor" any country in the Far East or why we should discriminate to the advantage or disadvantage of any. We should have

constantly

constantly in mind our rights and obligations under the Pact of Paris; the same, under the Washington Conference treaties; the same, under our treaties with China and under our treaties with Japan. Unless and until any one of several or all of those treaties are altered, we should scrutinize with utmost care any suggestion that we take a new step or make a new statement in definition or declaration of our policy.

IX. With

IX. With regard to procedure, it is believed that, confronted with newspaper stories or inquiries and/or suggestions unofficial and informal in character, we should proceed on the principle of "saying nothing", i.e., of avoiding, so far as possible, the giving of any indication of concern or of active interest. We should state that the subject is not under consideration and that we do not wish to discuss it. To such inquiries or suggestions made orally or in writing (as distinguished from print), there should be made acknowledgment with thanks but with avoidance of discussion or of disclosure of reaction, favorable or unfavorable. Confronted with inquiries or suggestions made from official sources and through official agencies, we should make our tactics those of delay -- in order that we may have opportunity to subject the subject matter to scrutiny before giving any indication of attitude or intent. With no commitment (except in certain cases: see infra), we should ask for time and should then as soon as possible study both the substance and the phraseology of the inquiry or request and decide whether to reply promptly or at leisure and in what sense and by what method. From beginning to end, we should keep in mind the thought that the ultimate objective of the Japanese is to promote and facilitate the attainment by Japan of a paramount and dominating position in the Far East and that their immediate objective is to discover what is our present attitude and probable future attitude and intent.

X. With regard to <u>particular proposals</u> which may be made:

(NOTE: In connection with each and every one of the possible proposals listed <u>infra</u>, it is believed that at the time when the proposal is made, care should be taken to avoid making any casual statement which might imply or from which the Japanese might infer that we are eager to act or that we are predisposed to view with favor the particular project submitted.)

(1) If confronted with a proposal that there be concluded between Japan and the United States <u>a (bilateral) non-aggression pact</u>, we should indicate at the outset that we doubt whether it will be possible for us to discuss seriously such a project. We should, however, before making any reply, examine the phraseology in which the proposal is made. Our reply, though made promptly, might need to be phrased carefully.

(NOTE: In the light of previous consideration of possibilities in connection with such a possible proposal, it is believed that there is no need in the present connection to go into a discussion of the merits or demerits of the idea of a Japan-United States non-aggression pact. Moreover, it is believed that there is little likelihood that the Japanese will present such a proposal.)

(2) If

(2) If confronted with a proposal that there be concluded between Japan and the United States a treaty of arbitration or conciliation, it might be pointed out that there has been under consideration by the two Governments for several years past a draft of such a treaty. We have been perfectly willing to conclude with Japan an arbitration (or conciliation) treaty on the model of treaties of that character which we have in effect with other powers. It is our understanding that the Japanese have made no reply to the most recent communication which we made to them on that subject. It might be stated that we would be glad to hear what is the Japanese Government's view with regard to the draft outstanding. It should be requested that, for the time being, the proposal be given no publicity.

(3) If

(3) If confronted with a proposal that the United States recognize "Manchukuo", officials of the American Government might well immediately point out that consideration of the question of recognition of "Manchukuo" requires consideration in particular of two sets of facts: first, the facts in relation to and in the light of the identic notes addressed by the American Government to the Japanese and the Chinese Governments on January 7, 1932, and the action taken by the League of Nations; second, the facts with regard to the characteristics and the qualifications of "Manchukuo" itself as a political entity. It is believed that nothing should be said which might warrant an inference by the proposers that this proposal would be given serious consideration. It might be stated, however, that we feel that discussion of that question, whether in private or in public is, the general situation being what it is, inopportune.

It is believed that recognition of "Manchukuo" would be inconsistent with and contrary to the spirit and the substance of the notes above referred to; that unless and until States members of the League of Nations shall have recognized "Manchukuo", recognition of "Manchukuo" by the United States would be a betrayal by us of States with which we have associated ourselves in connection with the

"non-recognition"

"non-recognition" principle; that recognition by us of "Manchukuo" would contribute little or nothing of advantage toward a permanent solution or settlement of "Far Eastern problems" or toward the improvement of relations between the United States and Japan; that it would gain for us little or nothing in the way of material advantages; and that it would amount to a technical affirmation by us that there exists a sovereign political entity where there does not in fact exist such an entity. It may or may not be true that "'Manchukuo' has come to stay"; the permanence or impermanence of the present set-up and the present political régime in Manchuria depends upon a great many factors in the future, some involving developments within Manchuria, some involving developments in Japan and in China, and some involving developments in relations between and among Japan, Russia, China, and other powers. Whatever the future may have in store, "Manchukuo" exists today by virtue of the presence in Manchuria of approximately 100,000 Japanese soldiers: it is by no means a sovereign or an independent political entity. There is no urgent reason why <u>any</u> foreign country should be in a hurry to recognize "Manchukuo". There is no great advantage either political or commercial that can accrue to any country in consequence of an early recognition of "Manchukuo". Neither the United States

nor

nor any other country is actively putting any obstacles in the way of the evolution of "Manchukuo". There is no reason, either legal or moral or of expediency, why any country other than Japan should exert itself toward making conclusively effective the severance of Manchuria from China. Recognition of "Manchukuo" by the United States would of course be pleasing to Japan; but it would be displeasing to China. We have taken no steps against "Manchukuo"; there are no reasons why we should take any steps in its favor. We declared, in the notes referred to above, that we do not intend to recognize situations brought about by certain processes. When we made that declaration "Manchukuo" had not come into existence. Our position with regard to "Manchukuo" has been and is negative. Recognition by us of "Manchukuo", if and when, would require a positive act on our part. Withholding of recognition involves taking no action: it requires mere standing still, with neither action nor statement. We should give no serious consideration to any suggestion that we recognize "Manchukuo" until such suggestion is supported by and can be viewed against a background of facts making it clear that there has been a substantial change in the situation and that weighty considerations render it essential and imperative that we move in that direction.

There

There is no need whatever for haste on the part of any country to take <u>any</u> step with regard to "Manchukuo". On the basis of recent indications, it would seem that Japan is now bringing great diplomatic pressure to bear in China toward some action in the direction of recognition by the Chinese; if this does not work out, it may happen that the Japanese will before long bring to bear against China additional armed pressure. If recognition of "Manchukuo" is to come at any time from one of the great powers, the United States can well afford not to have taken that step until after the taking of it by some other major power. A war between Japan and Russia -- which is by no means impossible in the comparatively near future -- would either destroy "Manchukuo" or put the question of "Manchukuo" into eclipse. Even if there were no "non-recognition" notes and "resolutions", the world, and especially the United States, may well afford to take with regard to the question of the recognition of "Manchukuo" an attitude of "wait and see".

It therefore is believed that we should politely decline to discuss any proposal which the Japanese might make calling for recognition by the American Government of "Manchukuo".

(4) If

(4) If confronted with a proposal which would call for some action by the American Government in regard to the question of Japanese immigration into this country, we should at once state, for purposes of record and guidance, that, as the Japanese Government well knows, this question is one with regard to which no conclusive action can be taken in this country by the executive branch of the Government without action first by the legislative branch; and we should state that, pending scrutiny of the proposal, we believe that it would be well to give no publicity to the fact that it has been submitted. We should then examine the proposal on its merits.

It is believed that no proposal could be submitted of such ingenious character as to warrant the taking toward it by the Administration, at this time, of a favorable position. The organized opposition in California to any alteration of the existing provision of our Immigration Act in relation to this matter has taken the position that it will fight any proposal to reopen this question; it stands on the principle that the present situation is satisfactory to it and that any alteration of the existing law would necessarily alter the situation and therefore be unacceptable to it. This opposition is strongly entrenched and has shown itself amply prepared to meet with counter-

attacks

attacks any attack upon its position. The Congressional delegations of California and of Oregon have gone on record as being unanimously opposed to any attempt to alter the law. The Administration has indicated that it does not intend to bring up this question. The bringing forward by the Administration of any proposal in this connection would bring upon the Administration a vigorous attack; and in the course of that attack many bitter words with regard to Japan would be spoken. It is utterly unlikely that any measure which might now be introduced into Congress toward altering the law would meet with success there. The net result of making this subject one of official discussion and consideration would be to create a new increment of criticism of the Administration and to inject new and inflammatory irritants into the situation as between the United States and Japan.

It therefore is believed that we would need to prepare a very carefully phrased reply the substance of which would be that in our opinion the present is not an opportune time to attempt to do anything with regard to the Japanese immigration question.

(5) If

(5) If confronted with a proposal that the American Government should give the Japanese Government an assurance that we will, if and when the naval conference meets, assent to a revision in Japan's favor of the naval ratios, we should say that we will take the matter under consideration, and that we believe that, in this instance also, pending consideration, ~~we feel that~~ no publicity should be given to the fact that a proposal has been made.

We should then examine the proposal. It is believed, however, that we should expect that we will not be able to make a favorable reply. In this connection it is believed that we should place the question of our national security above all other considerations. We should not let our devotion to the cause of peace, coupled with our desire to see measures of disarmament achieved, lead us into commitments the result of which would be a proportionate strengthening of Japan's naval armament and weakening of ours.

Of course the security of this country would be best ensured if arrangements could be effected which would ensure the peace of the whole world. But such a situation will be arrived at only when all countries wish and are determined that there shall be peace, or when, being in a majority, those countries which wish peace are willing to pool their forces and efforts in order to coerce (toward maintenance

of

of peace) those that regard other considerations as more important than those of peace. The attainment of either of these alternatives still lies far in the future. The nations are still under the necessity of providing in substantial measure each for its own security. China has been attacked and invaded by Japan in consequence of the two facts that, on the one hand, Japan is willing to use force, and, on the other hand, China was not and is not able to defend herself or to induce other powers to come to her defense. Russia would probably have been attacked by Japan before now were it not that the Russians have armed themselves to such an extent that the Japanese hesitate to make the attack. Had the United States been less adequately prepared to defend itself, if attacked by Japan, we would have had, in 1932, either to have kept silent on the subject of peace or, probably, to have sustained an attack at the hands of Japan's armed forces.

The naval ratios as they now stand were designed, it is believed, on the principle of making it possible, on the one hand, for each of the powers concerned adequately to safeguard its own interests, on a defensive basis, and of making it impossible, on the other hand, for any one of the powers, provided that each and all built up to and maintained its allotment of naval equipment, to indulge in aggression against one or more of the others. Assuming that the

technical

technical calculations have been sound, the existing ratios are the correct ratios for the purpose of maintaining the equilibrium thus sought. The situation has not changed, as regards the rightful interests of the various powers concerned, separately and collectively, from the point of view of problems of self-protection (as distinguished from possible contemplated programs of aggression), since these ratios were worked out and agreed upon. It would therefore seem that any alteration of the ratios in favor, upward, of any one power, would tend toward an upset of the equilibrium and would impair the principle on which the powers have proceeded in the formulating and concluding of naval limitation agreements.

It therefore is believed that, although we might admit need for making readjustments in detail within the ratios, we should hold and adhere to the view that, insofar as any agreement to which we would be parties is concerned, the ratios themselves must continue to stand. <u>It is believed that this should be our fixed position in relation to the agenda of any naval conference contemplated or held</u>. The President has intimated recently, in his statement on the Vinson Act, that such is our idea and hope. We should be prepared to let it be known, when the situation has sufficiently unfolded, and to say in a carefully prepared statement, that such is our position. (Before the moment

for

for so doing arrives, some other government may or may not have disclosed its similar position.) Thereafter we could await evidence of desire and intention on the part of other powers. But, no matter what appeared or failed to appear, we should make the continuance of the existing ratios the fixed point from which, to which and around which any and all further consideration by the American Government of the question of a naval conference and (if and when such conference is held) of agenda and action thereat must proceed.

If an attitude and procedure by us in the sense above suggested should result in there being held next year no conference, we could, it is believed, view that development with equanimity. We would not be subjected because of it to any military attack or formidable diplomatic assault. There is perceived no reason why we should discuss or think of entering into any agreement by and under the provisions of which Japan would, with our assent, become relatively stronger and we become relatively weaker in naval armament, and it is believed that no step that we might take would contribute more effectively than would such a step toward rendering real, in the long run, likelihood of an attack by Japan upon this country.

Our reply to the Japanese in connection with any such proposal should, therefore, be in the negative.

(6) If

(6) If confronted with a proposal that there be an exchange between the United States and Japan of diplomatic communications comparable in character to the Lansing-Ishii exchange of notes (of 1917), it is believed that reference should at once be made to the fact that letters expressive of good will and amicable intent have recently been exchanged between Japan's Minister for Foreign Affairs and the Secretary of State of the United States, and it should be intimated that we feel that those communications are sufficiently indicative of the good will which prevails officially and reciprocally between the two Governments and be pointed out that there appear in them express statements to the effect that it is not the intention of either country to initiate resort to measures of force in its relations with the other (or with others). It should then be stated that we will take the proposal under consideration but that we do not at the moment perceive that there is any need of such action; and it should be requested that the proposal be not given publicity.

It is believed that we should expect to give an unfavorable reply. In the light of the history of the Lansing-Ishii exchange of notes, there is little if any warrant for an assumption that the conclusion of another exchange of comparable communications would serve any useful purpose from the point of view of the best interests of the United

States

States or toward any general improvement of the situation in the Far East. In the course of the drafting of the Lansing-Ishii notes every possible effort was made by the Japanese to gain a commitment from the American Government to principles and affirmations inconsistent with the general principles of American foreign policy. After the notes were exchanged the Japanese immediately circulated in the Far East a translation so shaded as to serve their purposes and to make us appear to have affirmed what we had declined to affirm. Any such exchange which might now be so wrought as to be acceptable to the Japanese would be one the contents of which would be such as, in phraseology or in interpretation, would be calculated to limit our freedom of action and to enable Japan to go further afield, with our assent, real or inferred, in pursuance of her policy of making her influence paramount in Eastern Asia. What Japan most wants of us is that we should adopt with regard to what may happen as she goes ahead with her program an attitude of "hands off". While it may be well for us to watch our step with regard to any actual interference, and though we may not wish or may not be able to object effectively to developments which we do not view with approval, tacit acquiescence is one thing and definite assent in advance is quite another thing. There is perceived no need, in the present situation, for any spectacular action for

the

the purpose of resolving a crisis between Japan and the United States (there being no crisis) and no reason why there should be taken a step which would tend at once to tie our hands, to increase Japan's self-confidence, to alarm and alienate the Chinese, to render the Soviet Union suspicious and uneasy, to have a disturbing rather than a reassuring effect as regards the whole situation in the Far East, and, incidentally, to subject the Administration in this country to a new increment of criticism from many quarters.

There are outstanding between Japan and the United States exchanges of notes and treaties the provisions of which cover the question of the "open door", the "integrity of China", cooperation, consultation, and peace. It is not perceived that any new exchange of communications could bring to bear any principles and provisions which are not already contained in one or more of these. If those principles and provisions are not effective by virtue of the existing agreements, would they be made so by the conclusion of new agreements? If we think of revising them, whether in the direction of limitation or of amplification, we should keep in mind the fact that most of them are multilateral and may not appropriately be amended by the conclusion of agreements between the United States and Japan only. Some of them, moreover, are agreements which,

while

while complete within themselves, were concluded in the light of and with definite and conscious relation to the provisions of other agreements; for instance, the Washington Conference treaties, resolutions, etc. We should not lightly and without ample consideration enter into any new commitment, between ourselves and one other country only, which in fact or by implication would involve in any respect a departure by us from the principles and provisions of such existing agreements to which this country is a party.

In this connection, as in others, the soundest course for us to pursue would probably be found to be that of doing nothing. It therefore is believed that we should expect to prepare a carefully phrased statement making reply in the negative.

(7) If

(7) If confronted with a proposal for a reciprocity agreement with regard to trade and tariffs, and if with that only, we should take considerable satisfaction in the fact that something has been proposed which we can at least consider seriously. To even such a proposal, however, we should need to give careful scrutiny before making any commitment. There are doubtless in the trade between the United States and Japan commodities with regard to which, being imports into this country, we could agree to some tariff concession, and there are some with regard to which, being imports into Japan, the Japanese could agree to some tariff concessions. There is room here for some bargaining and agreements. (NOTE: However, with regard to certain commodities in relation to which certain suggestions have already been reported to have been made by Japanese officials, namely, silk and cotton, it would be necessary for us to study the matter closely before committing ourselves; for instance, a proposal that we guarantee that there shall be no duties or restrictions on imports of Japanese silk into this country in return for a similar agreement with regard to Japan in relation to imports there of cotton from this country.)

It would probably be safe for us to say to the Japanese at the outset that we believe that it would be possible to make some sort of reciprocal agreement with regard to some matters of trade but that we will need time to look into the subject.

(8) If

(8) If confronted with any proposal with regard to the Japanese Mandated Islands, it is believed that we should at the outset make no comment, but that we should expect after examination of the proposal to take the position that this question should be addressed by the Japanese in first instance to all (or the most important) of the powers most concerned by virtue of action which took place in connection with the creation and conferring of the mandate.

(9) If

(9) If confronted with a proposal for American-Japanese cooperation in relation to a program of "assistance to China", it is believed that we should be prepared to suggest that, inasmuch as the League of Nations has already given itself considerable concern in relation to that question, and inasmuch as the powers party to the Nine-Power Treaty with regard to China are especially concerned, that proposal should be addressed in first instance either to the League of Nations or to a conference of the principally interested powers.

(10) If

(10) If confronted with a proposal for revision or modification of one or more of the Washington treaties, and/or for a conference of the powers parties thereto, it is believed that we should expect to say that we will examine the proposal but that, in case, upon examination, we find ourselves favorable thereto, we would in all probability also find ourselves inclined to suggest to the proposers that the proposal be submitted to others of the powers most concerned and that we would expect to ask that we be informed, before we ourselves make any definite commitment, with regard to the reaction of those other powers to it. We could then proceed to examine the proposal on its merits.

XI. It

XI. It is possible that the Japanese may conceive some proposal of a type with regard to which we have not, in what appears above, taken into consideration the possibility. However, the survey made in connection with preparing what appears above leads to and supports the conclusion that there is little indeed that needs to be done and little that can safely be done by the American Government by way of special and definite action of a formal character toward "improving" the situation in the relations between Japan and the United States. The trouble, insofar as there is trouble, between these countries is not something that has been artificially brought about or that arises out of artificial measures or that can be resolved by artificial measures. The situation is one which would exist and be much what it is if there were no treaties and which would not be very greatly altered if the number of agreements were doubled or trebled. The two countries are outstandingly the two great powers on the Pacific Ocean: both are youthful and vigorous; both are growing and neither has reached the peak of its development; in the matter of various fundamental concepts the two nations differ and in the matter of natural endowment the two countries are unequal; there is bound to be competition between them, and in the course of that competition there will continue to be differences of opinion with regard to what is right, what is fair, what is just, what is expedient, and so forth, etc.

Whenever

Whenever there is talk of "doing something" to improve the relations between these two countries, suggestions are put forward which are in substance suggestions that concessions or gifts be made by the United States. Now as a matter of fact the United States has taken nothing from Japan and owes nothing to Japan. The one concession which we might on the basis of some allegation of moral obligation make to the Japanese would be something in the field of immigration. That, however, is at present out of the question. No other concessions that we might make -- with the exception of concessions made on a basis of give-and-take in connection with a "reciprocity agreement" for the regulation of commerce -- could be made without impairing in some manner our existing legal and/or moral obligations to some country or countries other than Japan. All of which brings us back to the point that there is little indeed that we can appropriately and safely do in the field of commitments toward special signalizing of cordiality of relations between Japan and this country.

The

The thesis that there is extraordinary "tension" between the United States and Japan has repeatedly been advanced and is almost invariably over-emphasized. There have been, it is true, periods in which there has been reason for apprehension lest by one process or another there might be brought on armed conflict between the two countries. It should be taken into account, however, that the American Government has at no time threatened Japan or made minatory gestures in Japan's direction. Even at the time when two years ago the American Government was remonstrating vigorously against acts of aggression in which Japan was indulging in Manchuria and at Shanghai, the American Government at no time threatened to take or suggested that this country might take forceful action of a military type; on the contrary, the President of the United States expressly declared that we would not use force, not even the force of economic measures of coercion. All of the threatening at that time, as in earlier periods, came from the Japanese side. Although it may be possible for Japanese leaders to believe or to say to their people that the American Navy constitutes a standing threat to Japan, it is scarcely conceivable that they can convince any large number of intelligent and sober-minded people elsewhere that the United States has any intention to make an armed assault upon Japan or that we would engage in war with Japan in consequence of any developments other than

those

those of an actual attack by the Japanese upon the United States. No one outside of Japan and China any longer believes that the United States would make war on Japan for the purpose of maintaining the principles of the Open Door and of territorial integrity in connection with and in relation to China.

There is not in fact the "tension" between the two countries which some people imagine and which more people talk loosely about. We do not need to enter into new and special commitments for the purpose of and as the only means for allaying an exacerbation of the situation which exacerbation does not exist.

The problem of avoiding trouble between and of maintaining and improving good relations between Japan and the United States is a problem of continuing and continuous sympathetic, patient, thoughtful and skillful day-to-day diplomatic action. The less we are hampered in connection with that by the presence of fancifully conceived and fancily phrased special agreements or commitments, themselves in turn susceptible of misinterpretation and misrepresentation, the more readily can we deal with actual difficulties which arise -- deal with them when they arise -- out of contacts between the peoples of the two countries and out of the conduct by the governments of each of relations with the other and with the remaining countries of the world. With a situation unfolding and changing as

rapidly

rapidly as is the situation in the Far East, the strategy and tactics of every government concerned must necessarily be in no small measure opportunistic. That situation is full of uncertainties and in it there are many variable and varying factors. The concluding of special arrangements between pairs of countries involved (arrangements such as the Anglo-Japanese alliance, the Lansing-Ishii notes, several other sets of such notes which Japan exchanged with other countries, the secret agreements which Japan concluded with each of four European powers in 1917 for disposal at the Peace Conference of former German territory in the Far East, etc., etc.) cannot really improve the situation and may readily add to the confusion inherent in it. There are already in existence a sufficient number of agreements, containing a sufficient number of provisions of principle and of procedure, to contribute all that can usefully be applied toward a general regulation of the situation. On and with these we should rest. Our attention, our time and our effort should be devoted not to the concluding of -- and after conclusion to contention over -- more agreements; they should be devoted rather to handling, with all of the intelligence and common sense that, animated by the "good neighbor" principle, we may be able to bring to bear, those problems of or relating to the Far East which are inevitably and rightfully of concern to us.

STRICTLY CONFIDENTIAL

PSF: Japan

April 20 1934

793.94

Dear Mr. Howe:

Just before his departure today, the Secretary of State asked that there be sent, for the President's perusal, the memorandum here attached.

This memorandum was prepared in connection with anticipation, on the basis of hints which have been coming steadily from Japan during recent weeks, that the Japanese Government is contemplating approaching this Government with some "proposal" or "proposals". In it there are an estimate of the present situation from point of view of the general problem of Japanese-American relations, suggestions with regard to what might be the official attitude and procedure here, and a listing, with comments, of several "proposals" of which it is conceived that the Japanese may contemplate laying before us one or more.

May I request that you bring this matter to the President's attention.

Yours sincerely,

William Phillips

Enclosure. (as 72)

The Honorable

Louis McH. Howe,

Secretary to the President,

The White House.

FE:SKH/ZMK FE 4/20/34

APR 21 1934

A true copy of the signed original

793.94/6659A

Confidential File

April 14, 1934.

~~STRICTLY CONFIDENTIAL~~

Mr. Secretary:

In response to your request that possibilities be considered in connection with the likelihood, in view of reports from various quarters, that the Japanese will in the near future approach this Government with some type of "proposal", there is submitted the memorandum here attached. (With the thought that you may wish to show this memorandum to the President, there is also attached a carbon copy.)

In this memorandum there are presented considerations relating to the immediate future in connection with the problem of Japanese-American relations.

SKH:EJL

opened 10/26/67

~~STRICTLY CONFIDENTIAL~~

April 14, 1934.

Mr. Secretary:

This memorandum is lengthy. I had thought to prepare a table of contents. But, in the light of careful study of the contents, I feel that the memorandum should be read in its entirety.

The material is divided, however, into two parts:

<u>A</u> (pages 1-8) which deals with background, and

<u>B</u> (pages 9-38) which deals with problems of attitude and procedure.

At and after page 14 there is discussion of particular proposals which may possibly be made by the Japanese, of which there are listed and treated separately ten.

It is felt that special attention should be called to pages 9-13 and pages 34-38.

SKH:EJL

Opened 10/24/67
for JVD

STRICTLY CONFIDENTIAL

April 5, 1934.

PROBLEM OF JAPANESE-AMERICAN RELATIONS:

Considerations Relating to the Immediate Future:

Estimate of Policy and Suggestions of Strategy.

A.

I. The real problems of Japanese-American relations arise out of and revolve around facts and factors in the Far East. They have very little to do with facts and factors on this side of the Pacific Ocean. (NOTE: The question of Japanese immigration into the United States may be regarded as a special exception; but it is a problem the solution of which calls for changes within the United States before the Department of State can to advantage take any position in reference thereto in the field of external relations.)

There are two things that stand in the way of Japan's progress under the concept of a "manifest destiny": (1) the political concepts and principles of policy of certain other countries; and (2) the actual or potential military and economic power of certain other countries (NOTE: Treaty provisions, past, present or future, should not be regarded as constituting serious obstacles to action by Japan along the line of political -- and probably territorial -- expansion in Asia).

II. What

II. What the Japanese especially desire at the present moment is relief from any apprehension of possible action of restraint or coercion (sooner or later) by or from the United States and/or Great Britain. If Japan could be sure that the United States and Great Britain would stand completely aside, Japan could (and probably would) rapidly proceed with new steps in a program intended ultimately to establish Japan's authority not only in Manchuria and Mongolia but in certain portions of China and of Siberia.

Hence, Japan's diplomatic efforts are being directed toward bringing about the adoption by the American and the British Governments of policies of surrender or abandonment, with regard to interests, both actual and potential, in those adjacent regions, especially in China. They seek, if possible, that such abandonment be consummated in fact; but that, if it cannot be brought about in fact, it nevertheless be brought about in appearance. Contributory thereto and in connection therewith, they desire that there shall be such developments in the field of comparative naval strength that Japan shall become invulnerable in the Pacific Ocean north of Singapore and west of Hawaii.

III. At

III. At the present moment the group in control in Japan is endeavoring to arrive at a decision with regard to the next active steps forward to be taken by Japan. They apparently have excluded (for the time being at least) from consideration the idea of war with the United States. They apparently do not feel prepared to begin a war with Russia. Their thoughts seem to be directed toward possible taking of further steps in relation to China, steps which would especially affect Mongolia and North China. In connection with their consideration of this matter, the question of the actual or possible attitude of the United States and of Great Britain is of importance to them. They therefore are assiduously attempting to discover what is and what may be the present thought of the highest officials in the United States and in Great Britain; and, while making that attempt, (a) to bring about on the part of those officials an attitude as far as possible favorable toward Japan, of indifference or disfavor toward China, and of willingness to overlook or to countenance further use of force by Japan toward coercion of China, and (b) to elicit any action or statement that may indicate or may be used to suggest (in diplomatic connections or in publicity) that such is the attitude of those officials.

IV. In

IV. In general, the United States and Great Britain are committed along with many other powers to the ideal of world peace. These two powers along with many others believe in the principle of naval disarmament. But the Japanese nation cares little about world peace and is utterly skeptical with regard to disarmament -- except as agreements to disarm may make it possible to bring about relative increases in Japan's armed strength.

In their approach to any of the so-called "problems" or "issues" in relations between Japan and the United States, Japan's spokesmen make it a point to rely heavily upon the fact that the American Government and people are imbued with a certain emotional idealism and are enamoured of certain idealistic concepts with regard to international relations. They endeavor to induce the American Government to make to the Japanese Government real concessions desired by Japan in connection with Japan's Asia policy in return for nominal adherence by Japan to idealistic objectives to which the United States is committed in connection with world problems. Regularly, the Japanese ask for concessions in fact by this country as the price of concessions in principle (or to principle) by Japan.

V. It

V. It is the view of the writer that the United States has no "Far Eastern policy" as a thing separate from and different from our foreign policy in general. We have a world policy (i.e., a general "foreign policy"). That policy, in its application in and with relation to the Far East (especially in relation to China), has had certain particular manifestations; to those manifestations there have been attached certain labels (such as "the Hay doctrine", "the open door policy", etc.); but these supposedly special policies are in fact special only in name. Often, a mere detail of action in our conducting of our relations with the Far East has acquired the reputation of a special item of policy, whereas in fact the action in question is merely a matter of strategy or tactics in application of a general principle which, given a similar situation, we would (or do) apply in any other part of the world. To illustrate: the concept of the "open door" has been and is applied in determining our attitude and that of other countries toward problems elsewhere (especially in Africa) similar, mutatis mutandis, to those which are met with and dealt with in connection with China. Also illustrative, the concept of "non-recognition" (resorted to and declared by the American Government in 1915 with regard to developments in China, in 1921 with regard to developments in Siberia, and in 1932 with regard to developments in Manchuria) is a concept which has its roots in Occidental (and particularly American) thought

thought with regard to the value of regulation of international relations by treaties and the necessity, in connection therewith, of respect for treaties. The idea was and is one which could be made use of in regard to situations in any other part of the world and by any countries which might choose to make use of it. We have in fact made use of it with regard to a situation in South America. The League of Nations in fact saw fit to make use of it, as did we, in relation to the situation in Manchuria. It could be used by any or by all the powers in relation to any and every situation where unlawful means are about to be, are being, or have been resorted to toward attainment of unlawful ends. Its potential application is general and not restricted to the Far East.

VI. The

VI. The Japanese Government has intimated recently that it intends to make to us some suggestions for action which would improve relations between Japan and the United States. The Japanese press and various Japanese spokesmen have given some indication of various possible proposals which the Japanese Government is alleged to be considering. Among these are: a proposal for a bilateral non-aggression pact; a proposal that the United States amend its immigration act; a proposal that the United States "recognize Manchukuo"; a proposal that naval ratios be discussed in advance of the holding of a naval conference, with a view to there being arrived at an understanding that the naval ratios shall be revised upward in Japan's favor. The most outspoken of Japan's public men not in office at the present moment and not in military service, Mr. Matsuoka, has recently stated that the United States must stop "bullying" Japan, that the United States must give recognition (and assent) to Japan's "Monroe Doctrine for Asia", that the United States must cease to be especially friendly toward China and toward Russia, that the United States must admit the right of Japan to naval parity, etc.

It may well be doubted whether the Japanese Government will formally put forward proposals on any of these lines; and still more whether, if it puts forward any of these proposals, it will do so with the expectation of their being given a favorable response. The strategy which the Japanese

Government

Government is apparently employing is that of unofficial or informal suggestions by prominent Japanese (in or out of office), inspired statements in the press, ballons d'essai of one type and another, various types of "hands across the sea gestures", etc., intended to implant certain ideas in the minds of officials and of the public abroad and to elicit indications of official thought (and intent) and of public opinion abroad, especially in the United States and in Great Britain.

VII. The

B.

VII. The question then for us is: (1) What, in the presence of the Japanese effort to mold opinion and to elicit expressions of official thought in this country, should be the attitude of the American Government and (2) what should be our procedure.

It is believed that there is no need for any revision of American policy in regard to the Far East or for any change of position with regard to any feature of the general "set-up" which now prevails in the Far Eastern situation. Our policy is one which has evolved in the course of a century and a half of contact with the Far East wherein our effort has been to promote and safeguard by lawful (and peaceful) means interests which have grown and which exist there legitimately. In general, our policy is just what the history of our efforts shows it to have been, that of seeking to maintain for the United States and American nationals and interests, by peaceful means, rights which are theirs under the general principles of international law and/or the express provisions of treaties. This policy does not envisage and is not directed toward any acquisition by the United States of territory or of local political responsibilities in the Far East; and it does not seek to obtain for the United States or for American nationals and interests any special or exclusive rights, titles or privileges. It neither contemplates nor involves any use

of

of armed force on our part for any purpose other than that of clear-cut protection -- where local authorities are unable to afford protection -- of life (and in connection therewith, of property). It calls for no taking of sides as between other nations which may engage in conflicts (with or without armed hostilities) there. Above all, it involves no intention or thought on our part of employing arms for the purpose of enforcing our views or of advancing any interest which we have or may have in or with relation to that part of the world. (NOTE: This, however, is one of those things which, well understood among ourselves and among thoughtful, well-informed and disinterested observers in many places, should not be officially and formally affirmed either in public or in conversation with officials of other governments, especially those of governments most directly and most vitally concerned in the Far East, -- for official and formal affirmation of such a position would tend to encourage disregard of our views and indifference to our interests on the part of other governments inclined to such courses.)

Any changes for which there may develop need in our policy, our strategy, and/or our tactics, can and should be made quietly, without announcement, and without abruptness; and without commitment to any other (one) power.

VIII. With

VIII. With regard to attitude, it is believed that our intention should be to "stand pat". We should be good "listeners", but in regard to any suggestion that any move -- especially one involving a concession or "change" of any sort on our part -- is called for or is in order, we should make no admission or affirmation until we have had time and opportunity to scrutinize the suggestion and the contentions made in support of it.

We have certain clear rights and obligations in the Far East with regard to: (1) American citizens and interests there, (2) countries, governments and peoples there, and (3) other countries with which we have in common certain rights and obligations there and elsewhere. Our position and that of American citizens and interests in the Far East rests for the most part upon provisions of treaties. The question of any move or any statement which we might be asked to make should be carefully thought over from point of view of our existing legal commitments and our moral responsibilities in connection with other (all other) countries and with reference to the effect which such move or statement would have on the interests and rights both of this country and of other countries and on the general situation.

There is no reason why we should especially "favor" any country in the Far East or why we should discriminate to the advantage or disadvantage of any. We should have

constantly

constantly in mind our rights and obligations under the Pact of Paris; the same, under the Washington Conference treaties; the same, under our treaties with China and under our treaties with Japan. Unless and until any one of several or all of those treaties are altered, we should scrutinize with utmost care any suggestion that we take a new step or make a new statement in definition or declaration of our policy.

IX. With

IX. With regard to procedure, it is believed that, confronted with newspaper stories or inquiries and/or suggestions unofficial and informal in character, we should proceed on the principle of "saying nothing", i.e., of avoiding, so far as possible, the giving of any indication of concern or of active interest. We should state that the subject is not under consideration and that we do not wish to discuss it. To such inquiries or suggestions made orally or in writing (as distinguished from print), there should be made acknowledgment with thanks but with avoidance of discussion or of disclosure of reaction, favorable or unfavorable. Confronted with inquiries or suggestions made from official sources and through official agencies, we should make our tactics those of delay -- in order that we may have opportunity to subject the subject matter to scrutiny before giving any indication of attitude or intent. With no commitment (except in certain cases: see infra) we should ask for time and should then as soon as possible study both the substance and the phraseology of the inquiry or request and decide whether to reply promptly or at leisure and in what sense and by what method. From beginning to end, we should keep in mind the thought that the ultimate objective of the Japanese is to promote and facilitate the attainment by Japan of a paramount and dominating position in the Far East and that their immediate objective is to discover what is our present attitude and probable future attitude and intent.

X. With regard to particular proposals which may be made:

(NOTE: In connection with each and every one of the possible proposals listed infra, it is believed that at the time when the proposal is made, care should be taken to avoid making any casual statement which might imply or from which the Japanese might infer that we are eager to act or that we are predisposed to view with favor the particular project submitted.)

(1) If confronted with a proposal that there be concluded between Japan and the United States a (bilateral) non-aggression pact, we should indicate at the outset that we doubt whether it will be possible for us to discuss seriously such a project. We should, however, before making any reply, examine the phraseology in which the proposal is made. Our reply, though made promptly, might need to be phrased carefully.

(NOTE: In the light of previous consideration of possibilities in connection with such a possible proposal, it is believed that there is no need in the present connection to go into a discussion of the merits or demerits of the idea of a Japan-United States non-aggression pact. Moreover, it is believed that there is little likelihood that the Japanese will present such a proposal.)

(2) If

(2) If confronted with a proposal that there be concluded between Japan and the United States a treaty of arbitration or conciliation, it might be pointed out that there has been under consideration by the two Governments for several years past a draft of such a treaty. We have been perfectly willing to conclude with Japan an arbitration (or conciliation) treaty on the model of treaties of that character which we have in effect with other powers. It is our understanding that the Japanese have made no reply to the most recent communication which we made to them on that subject. It might be stated that we would be glad to hear what is the Japanese Government's view with regard to the draft outstanding. It should be requested that, for the time being, the proposal be given no publicity.

(3) If

(3) If confronted with a proposal that the United States recognize "Manchukuo", officials of the American Government might well immediately point out that consideration of the question of recognition of "Manchukuo" requires consideration in particular of two sets of facts: first, the facts in relation to and in the light of the identic notes addressed by the American Government to the Japanese and the Chinese Governments on January 7, 1932, and the action taken by the League of Nations; second, the facts with regard to the characteristics and the qualifications of "Manchukuo" itself as a political entity. It is believed that nothing should be said which might warrant an inference by the proposers that this proposal would be given serious consideration. It might be stated, however, that we feel that discussion of that question, whether in private or in public is, the general situation being what it is, inopportune.

It is believed that recognition of "Manchukuo" would be inconsistent with and contrary to the spirit and the substance of the notes above referred to; that unless and until States members of the League of Nations shall have recognized "Manchukuo", recognition of "Manchukuo" by the United States would be a betrayal by us of States with which we have associated ourselves in connection with the

"non-recognition"

"non-recognition" principle; that recognition by us of "Manchukuo" would contribute little or nothing of advantage toward a permanent solution or settlement of "Far Eastern problems" or toward the improvement of relations between the United States and Japan; that it would gain for us little or nothing in the way of material advantages; and that it would amount to a technical affirmation by us that there exists a sovereign political entity where there does not in fact exist such an entity. It may or may not be true that "'Manchukuo' has come to stay"; the permanence or impermanence of the present set-up and the present political régime in Manchuria depends upon a great many factors in the future, some involving developments within Manchuria, some involving developments in Japan and in China, and some involving developments in relations between and among Japan, Russia, China, and other powers. Whatever the future may have in store, "Manchukuo" exists today by virtue of the presence in Manchuria of approximately 100,000 Japanese soldiers: it is by no means a sovereign or an independent political entity. There is no urgent reason why <u>any</u> foreign country should be in a hurry to recognize "Manchukuo". There is no great advantage either political or commercial that can accrue to any country in consequence of an early recognition of "Manchukuo". Neither the United States

nor

nor any other country is actively putting any obstacles in the way of the evolution of "Manchukuo". There is no reason, either legal or moral or of expediency, why any country other than Japan should exert itself toward making conclusively effective the severance of Manchuria from China. Recognition of "Manchukuo" by the United States would of course be pleasing to Japan; but it would be displeasing to China. We have taken no steps against "Manchukuo"; there are no reasons why we should take any steps in its favor. We declared, in the notes referred to above, that we do not intend to recognize situations brought about by certain processes. When we made that declaration "Manchukuo" had not come into existence. Our position with regard to "Manchukuo" has been and is negative. Recognition by us of "Manchukuo", if and when, would require a positive act on our part. Withholding of recognition involves taking no action: it requires mere standing still, with neither action nor statement. We should give no serious consideration to any suggestion that we recognize "Manchukuo" until such suggestion is supported by and can be viewed against a background of facts making it clear that there has been a substantial change in the situation and that weighty considerations render it essential and imperative that we move in that direction.

There

There is no need whatever for haste on the part of any country to take any step with regard to "Manchukuo". On the basis of recent indications, it would seem that Japan is now bringing great diplomatic pressure to bear in China toward some action in the direction of recognition by the Chinese; if this does not work out, it may happen that the Japanese will before long bring to bear against China additional armed pressure. If recognition of "Manchukuo" is to come at any time from one of the great powers, the United States can well afford not to have taken that step until after the taking of it by some other major power. A war between Japan and Russia -- which is by no means impossible in the comparatively near future -- would either destroy "Manchukuo" or put the question of "Manchukuo" into eclipse. Even if there were no "non-recognition" notes and "resolutions", the world, and especially the United States, may well afford to take with regard to the question of the recognition of "Manchukuo" an attitude of "wait and see".

It therefore is believed that we should politely decline to discuss any proposal which the Japanese might make calling for recognition by the American Government of "Manchukuo".

(4) If

(4) If confronted with a proposal which would call for some action by the American Government in regard to the question of Japanese immigration into this country, we should at once state, for purposes of record and guidance, that, as the Japanese Government well knows, this question is one with regard to which no conclusive action can be taken in this country by the executive branch of the Government without action first by the legislative branch; and we should state that, pending scrutiny of the proposal, we believe that it would be well to give no publicity to the fact that it has been submitted. We should then examine the proposal on its merits.

It is believed that no proposal could be submitted of such ingenious character as to warrant the taking toward it by the Administration, at this time, of a favorable position. The organized opposition in California to any alteration of the existing provision of our Immigration Act in relation to this matter has taken the position that it will fight any proposal to reopen this question; it stands on the principle that the present situation is satisfactory to it and that any alteration of the existing law would necessarily alter the situation and therefore be unacceptable to it. This opposition is strongly entrenched and has shown itself amply prepared to meet with counter-

attacks

attacks any attack upon its position. The Congressional delegations of California and of Oregon have gone on record as being unanimously opposed to any attempt to alter the law. The Administration has indicated that it does not intend to bring up this question. The bringing forward by the Administration of any proposal in this connection would bring upon the Administration a vigorous attack; and in the course of that attack many bitter words with regard to Japan would be spoken. It is utterly unlikely that any measure which might now be introduced into Congress toward altering the law would meet with success there. The net result of making this subject one of official discussion and consideration would be to create a new increment of criticism of the Administration and to inject new and inflammatory irritants into the situation as between the United States and Japan.

It therefore is believed that we would need to prepare a very carefully phrased reply the substance of which would be that in our opinion the present is not an opportune time to attempt to do anything with regard to the Japanese immigration question.

(5) If

(5) If confronted with a proposal that the American Government should give the Japanese Government an assurance that we will, if and when the naval conference meets, assent to a revision in Japan's favor of the naval ratios, we should say that we will take the matter under consideration, and that we believe that, in this instance also, pending consideration, ~~we feel that~~ no publicity should be given to the fact that a proposal has been made.

We should then examine the proposal. It is believed, however, that we should expect that we will not be able to make a favorable reply. In this connection it is believed that we should place the question of our national security above all other considerations. We should not let our devotion to the cause of peace, coupled with our desire to see measures of disarmament achieved, lead us into commitments the result of which would be a proportionate strengthening of Japan's naval armament and weakening of ours.

Of course the security of this country would be best ensured if arrangements could be effected which would ensure the peace of the whole world. But such a situation will be arrived at only when all countries wish and are determined that there shall be peace, or when, being in a majority, those countries which wish peace are willing to pool their forces and efforts in order to coerce (toward maintenance

of

of peace) those that regard other considerations as more important than those of peace. The attainment of either of these alternatives still lies far in the future. The nations are still under the necessity of providing in substantial measure each for its own security. China has been attacked and invaded by Japan in consequence of the two facts that, on the one hand, Japan is willing to use force, and, on the other hand, China was not and is not able to defend herself or to induce other powers to come to her defense. Russia would probably have been attacked by Japan before now were it not that the Russians have armed themselves to such an extent that the Japanese hesitate to make the attack. Had the United States been less adequately prepared to defend itself, if attacked by Japan, we would have had, in 1932, either to have kept silent on the subject of peace or, probably, to have sustained an attack at the hands of Japan's armed forces.

The naval ratios as they now stand were designed, it is believed, on the principle of making it possible, on the one hand, for each of the powers concerned adequately to safeguard its own interests, on a defensive basis, and of making it impossible, on the other hand, for any one of the powers, provided that each and all built up to and maintained its allotment of naval equipment, to indulge in aggression against one or more of the others. Assuming that the

technical

technical calculations have been sound, the existing ratios are the correct ratios for the purpose of maintaining the equilibrium thus sought. The situation has not changed, as regards the rightful interests of the various powers concerned, separately and collectively, from the point of view of problems of self-protection (as distinguished from possible contemplated programs of aggression), since these ratios were worked out and agreed upon. It would therefore seem that any alteration of the ratios in favor, upward, of any one power, would tend toward an upset of the equilibrium and would impair the principle on which the powers have proceeded in the formulating and concluding of naval limitation agreements.

It therefore is believed that, although we might admit need for making readjustments in detail within the ratios, we should hold and adhere to the view that, insofar as any agreement to which we would be parties is concerned, the ratios themselves must continue to stand. It is believed that this should be our fixed position in relation to the agenda of any naval conference contemplated or held. The President has intimated recently, in his statement on the Vinson Act, that such is our idea and hope. We should be prepared to let it be known, when the situation has sufficiently unfolded, and to say in a carefully prepared statement, that such is our position. (Before the moment

for

for so doing arrives, some other government may or may not have disclosed its similar position.) Thereafter we could await evidence of desire and intention on the part of other powers. But, no matter what appeared or failed to appear, we should make the continuance of the existing ratios the fixed point from which, to which and around which any and all further consideration by the American Government of the question of a naval conference and (if and when such conference is held) of agenda and action thereat must proceed.

If an attitude and procedure by us in the sense above suggested should result in there being held next year no conference, we could, it is believed, view that development with equanimity. We would not be subjected because of it to any military attack or formidable diplomatic assault. There is perceived no reason why we should discuss or think of entering into any agreement by and under the provisions of which Japan would, with our assent, become relatively stronger and we become relatively weaker in naval armament, and it is believed that no step that we might take would contribute more effectively than would such a step toward rendering real, in the long run, likelihood of an attack by Japan upon this country.

Our reply to the Japanese in connection with any such proposal should, therefore, be in the negative.

(6) If

(6) If confronted with a proposal that there be an exchange between the United States and Japan of diplomatic communications comparable in character to the Lansing-Ishii exchange of notes (of 1917), it is believed that reference should at once be made to the fact that letters expressive of good will and amicable intent have recently been exchanged between Japan's Minister for Foreign Affairs and the Secretary of State of the United States, and it should be intimated that we feel that those communications are sufficiently indicative of the good will which prevails officially and reciprocally between the two Governments and be pointed out that there appear in them express statements to the effect that it is not the intention of either country to initiate resort to measures of force in its relations with the other (or with others). It should then be stated that we will take the proposal under consideration but that we do not at the moment perceive that there is any need of such action; and it should be requested that the proposal be not given publicity.

It is believed that we should expect to give an unfavorable reply. In the light of the history of the Lansing-Ishii exchange of notes, there is little if any warrant for an assumption that the conclusion of another exchange of comparable communications would serve any useful purpose from the point of view of the best interests of the United

States

States or toward any general improvement of the situation in the Far East. In the course of the drafting of the Lansing-Ishii notes every possible effort was made by the Japanese to gain a commitment from the American Government to principles and affirmations inconsistent with the general principles of American foreign policy. After the notes were exchanged the Japanese immediately circulated in the Far East a translation so shaded as to serve their purposes and to make us appear to have affirmed what we had declined to affirm. Any such exchange which might now be so wrought as to be acceptable to the Japanese would be one the contents of which would be such as, in phraseology or in interpretation, would be calculated to limit our freedom of action and to enable Japan to go further afield, with our assent, real or inferred, in pursuance of her policy of making her influence paramount in Eastern Asia. What Japan most wants of us is that we should adopt with regard to what may happen as she goes ahead with her program an attitude of "hands off". While it may be well for us to watch our step with regard to any actual interference, and though we may not wish or may not be able to object effectively to developments which we do not view with approval, tacit acquiescence is one thing and definite assent in advance is quite another thing. There is perceived no need, in the present situation, for any spectacular action for

the

the purpose of resolving a crisis between Japan and the United States (there being no crisis) and no reason why there should be taken a step which would tend at once to tie our hands, to increase Japan's self-confidence, to alarm and alienate the Chinese, to render the Soviet Union suspicious and uneasy, to have a disturbing rather than a reassuring effect as regards the whole situation in the Far East, and, incidentally, to subject the Administration in this country to a new increment of criticism from many quarters.

There are outstanding between Japan and the United States exchanges of notes and treaties the provisions of which cover the question of the "open door", the "integrity of China", cooperation, consultation, and peace. It is not perceived that any new exchange of communications could bring to bear any principles and provisions which are not already contained in one or more of these. If those principles and provisions are not effective by virtue of the existing agreements, would they be made so by the conclusion of new agreements? If we think of revising them, whether in the direction of limitation or of amplification, we should keep in mind the fact that most of them are multilateral and may not appropriately be amended by the conclusion of agreements between the United States and Japan only. Some of them, moreover, are agreements which,

while

while complete within themselves, were concluded in the light of and with definite and conscious relation to the provisions of other agreements; for instance, the Washington Conference treaties, resolutions, etc. We should not lightly and without ample consideration enter into any new commitment, between ourselves and one other country only, which in fact or by implication would involve in any respect a departure by us from the principles and provisions of such existing agreements to which this country is a party.

In this connection, as in others, the soundest course for us to pursue would probably be found to be that of doing nothing. It therefore is believed that we should expect to prepare a carefully phrased statement making reply in the negative.

(7) If

(7) If confronted with a proposal for a reciprocity agreement with regard to trade and tariffs, and if with that only, we should take considerable satisfaction in the fact that something has been proposed which we can at least consider seriously. To even such a proposal, however, we should need to give careful scrutiny before making any commitment. There are doubtless in the trade between the United States and Japan commodities with regard to which, being imports into this country, we could agree to some tariff concession, and there are some with regard to which, being imports into Japan, the Japanese could agree to some tariff concessions. There is room here for some bargaining and agreements. (NOTE: However, with regard to certain commodities in relation to which certain suggestions have already been reported to have been made by Japanese officials, namely, silk and cotton, it would be necessary for us to study the matter closely before committing ourselves; for instance, a proposal that we guarantee that there shall be no duties or restrictions on imports of Japanese silk into this country in return for a similar agreement with regard to Japan in relation to imports there of cotton from this country.)

It would probably be safe for us to say to the Japanese at the outset that we believe that it would be possible to make some sort of reciprocal agreement with regard to some matters of trade but that we will need time to look into the subject.

(8) If

(8) If confronted with any proposal with regard to the Japanese Mandated Islands, it is believed that we should at the outset make no comment, but that we should expect after examination of the proposal to take the position that this question should be addressed by the Japanese in first instance to all (or the most important) of the powers most concerned by virtue of action which took place in connection with the creation and conferring of the mandate.

(9) If

(9) If confronted with a proposal for American-Japanese cooperation in relation to a program of "assistance to China", it is believed that we should be prepared to suggest that, inasmuch as the League of Nations has already given itself considerable concern in relation to that question, and inasmuch as the powers party to the Nine-Power Treaty with regard to China are especially concerned, that proposal should be addressed in first instance either to the League of Nations or to a conference of the principally interested powers.

(10) If

(10) If confronted with a proposal for revision or modification of one or more of the Washington treaties, and/or for a conference of the powers parties thereto, it is believed that we should expect to say that we will examine the proposal but that, in case, upon examination, we find ourselves favorable thereto, we would in all probability also find ourselves inclined to suggest to the proposers that the proposal be submitted to others of the powers most concerned and that we would expect to ask that we be informed, before we ourselves make any definite commitment, with regard to the reaction of those other powers to it. We could then proceed to examine the proposal on its merits.

XI. It

XI. It is possible that the Japanese may conceive some proposal of a type with regard to which we have not, in what appears above, taken into consideration the possibility. However, the survey made in connection with preparing what appears above leads to and supports the conclusion that there is little indeed that needs to be done and little that can safely be done by the American Government by way of special and definite action of a formal character toward "improving" the situation in the relations between Japan and the United States. The trouble, insofar as there is trouble, between these countries is not something that has been artificially brought about or that arises out of artificial measures or that can be resolved by artificial measures. The situation is one which would exist and be much what it is if there were no treaties and which would not be very greatly altered if the number of agreements were doubled or trebled. The two countries are outstandingly the two great powers on the Pacific Ocean: both are youthful and vigorous; both are growing and neither has reached the peak of its development; in the matter of various fundamental concepts the two nations differ and in the matter of natural endowment the two countries are unequal; there is bound to be competition between them, and in the course of that competition there will continue to be differences of opinion with regard to what is right, what is fair, what is just, what is expedient, and so forth, etc.

Whenever

Whenever there is talk of "doing something" to improve the relations between these two countries, suggestions are put forward which are in substance suggestions that concessions or gifts be made by the United States. Now as a matter of fact the United States has taken nothing from Japan and owes nothing to Japan. The one concession which we might on the basis of some allegation of moral obligation make to the Japanese would be something in the field of immigration. That, however, is at present out of the question. No other concessions that we might make -- with the exception of concessions made on a basis of give-and-take in connection with a "reciprocity agreement" for the regulation of commerce -- could be made without impairing in some manner our existing legal and/or moral obligations to some country or countries other than Japan. All of which brings us back to the point that there is little indeed that we can appropriately and safely do in the field of commitments toward special signalizing of cordiality of relations between Japan and this country.

The

The thesis that there is extraordinary "tension" between the United States and Japan has repeatedly been advanced and is almost invariably over-emphasized. There have been, it is true, periods in which there has been reason for apprehension lest by one process or another there might be brought on armed conflict between the two countries. It should be taken into account, however, that the American Government has at no time threatened Japan or made minatory gestures in Japan's direction. Even at the time when two years ago the American Government was remonstrating vigorously against acts of aggression in which Japan was indulging in Manchuria and at Shanghai, the American Government at no time threatened to take or suggested that this country might take forceful action of a military type; on the contrary, the President of the United States expressly declared that we would not use force, not even the force of economic measures of coercion. All of the threatening at that time, as in earlier periods, came from the Japanese side. Although it may be possible for Japanese leaders to believe or to say to their people that the American Navy constitutes a standing threat to Japan, it is scarcely conceivable that they can convince any large number of intelligent and sober-minded people elsewhere that the United States has any intention to make an armed assault upon Japan or that we would engage in war with Japan in consequence of any developments other than

those

those of an actual attack by the Japanese upon the United States. No one outside of Japan and China any longer believes that the United States would make war on Japan for the purpose of maintaining the principles of the Open Door and of territorial integrity in connection with and in relation to China.

There is not in fact the "tension" between the two countries which some people imagine and which more people talk loosely about. We do not need to enter into new and special commitments for the purpose of and as the only means for allaying an exacerbation of the situation which exacerbation does not exist.

The problem of avoiding trouble between and of maintaining and improving good relations between Japan and the United States is a problem of continuing and continuous sympathetic, patient, thoughtful and skillful day-to-day diplomatic action. The less we are hampered in connection with that by the presence of fancifully conceived and fancily phrased special agreements or commitments, themselves in turn susceptible of misinterpretation and misrepresentation, the more readily can we deal with actual difficulties which arise -- deal with them when they arise -- out of contacts between the peoples of the two countries and out of the conduct by the governments of each of relations with the other and with the remaining countries of the world. With a situation unfolding and changing as

rapidly

rapidly as is the situation in the Far East, the strategy and tactics of every government concerned must necessarily be in no small measure opportunistic. That situation is full of uncertainties and in it there are many variable and varying factors. The concluding of special arrangements between pairs of countries involved (arrangements such as the Anglo-Japanese alliance, the Lansing-Ishii notes, several other sets of such notes which Japan exchanged with other countries, the secret agreements which Japan concluded with each of four European powers in 1917 for disposal at the Peace Conference of former German territory in the Far East, etc., etc.) cannot really improve the situation and may readily add to the confusion inherent in it. There are already in existence a sufficient number of agreements, containing a sufficient number of provisions of principle and of procedure, to contribute all that can usefully be applied toward a <u>general</u> regulation of the situation. On and with these we should rest. Our attention, our time and our effort should be devoted not to the concluding of -- and after conclusion to contention over -- more agreements; they should be devoted rather to handling, with all of the intelligence and common sense that, animated by the "good neighbor" principle, we may be able to bring to bear, those problems of or relating to the Far East which are inevitably and rightfully of concern to us.

April 26, 1934. PSF

I. Japan

DRAFT OF POSSIBLE STATEMENT IN REJOINDER TO JAPANESE STATEMENT

In view of evidence from many quarters that the attitude and intention of the American Government with regard to the relations of this country with countries of the Far East are not clearly understood and of the further fact that our position is in some quarters misunderstood and has been in some quarters misrepresented, I deem it desirable to make for the information of the American people and all others who may be interested a statement, as follows:

The duty of the present Administration in the field of foreign relations is in no wise different from that of its predecessors. It is our duty in relations with foreign countries to safeguard the lawful rights and legitimate interests, and to meet the obligations of the United States. The principles by which the foreign policy of this country has been guided are in no way changed.

The rights and obligations of the United States in the field of international relations are in general those which are recognized in the family of nations as being conferred and imposed by international law; and they are

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in particular those which are accorded or accepted in the treaties and agreements to which this country is a party.

Hence, in giving consideration to any situation involving rights and interests of the United States abroad, it is always necessary to have in mind both principles of international law and provisions of one or more of the treaties to which this country is party.

We have treaties with practically every country in the world. Some of these are with countries on this continent; some are with countries in Europe; some are with countries of the Far East; a few are multilateral treaties; and one is a treaty to which every country in the world is a party.

The people and the Government of this country believe that treaties are made for the purpose of regulating the relations between and among nations. Entered into by agreement, treaties are binding upon the parties thereto until terminated by processes prescribed or recognized or agreed upon. Treaties are in this country a part of the law of the land.

If

If in any situation the enjoyment by the United States of rights conferred upon it by international law or by treaty adversely affects the legitimate rights and interests of another country, the American Government would be prepared to give consideration to any suggestions put forward in a spirit of good will looking toward adjustment in the interest of all concerned. The United States cannot, however, admit the legality of any unilateral action on the part of any other power calculated to restrict or otherwise to modify any right possessed by the United States by virtue of recognized principles of international law or by virtue of treaties to which the United States is party.

The problem of preserving or bringing about conditions of peace, no matter in what part of the world, we regard as a problem of rightful interest and concern to all peoples, to all governments, to all states and to all groups of states.

In all of the international associations and relationships of the United States, it is the desire and intention of the American Government to be duly considerate of the

rights

rights, the obligations and the legitimate interests of other countries and to expect on the part of other governments due consideration of the rights, the obligations and the legitimate interests of this country.

Our Administration has dedicated this country to the policy of the good neighbor, and to the practical application of that policy we will continue to devote our best effort.

DEPARTMENT OF STATE

THE SECRETARY

May 19, 1934.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AND THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

The Japanese Ambassador called and promptly drew out an elaborate telegram which he said was from Foreign Minister Hirota in Tokyo to him. He first remarked that Hirota desired to extend his appreciation of the friendly spirit in which I sent the statement to him on April 28, 1934, and which was delivered by United States Ambassador Grew. He added that Ambassador Grew had stated to Minister Hirota at the time that the United States Government did not expect any reply. The Japanese Ambassador then proceeded practically to read the telegram, although appearing more or less to be speaking orally. He retained the telegram which was in his language. At its conclusion, I inquired if it was virtually a restatement of the statement during the latter part of April of his Government to Sir John Simon in the London Foreign Office. He replied that it was. I then stated that I had kept perfectly quiet

while

while Japanese officials all the way from Tokyo to Geneva on April 17th, and for many days following, were reported as giving out to the press the views and policies of the Japanese Government touching certain international phases relating to the Orient; that at the conclusion of these different statements I felt, in order not to be misunderstood here or anywhere, that I should in a respectful and friendly spirit offer a succinct but comprehensive restatement of rights, interests, and obligations as they related to my country primarily and as they related to all countries signatory to the Nine-Power Treaty, the Kellogg Pact, and international law as the same applied to the Orient.

I then inquired whether the Japanese Government differed with any of the fundamental phases of the statement I sent to the Japanese Foreign Minister on the 28th day of April, 1934? The Ambassador replied that it did not differ, that his Government did agree to the fundamentals of my note or statement, but that his Government did feel that it had a special interest in preserving peace and order in China. He then repeated the same formula that his government had been

putting

putting out for some weeks about the superior duty or function of his government to preserve peace and of its special interests in the peace situation in - to quote his words - "Eastern Asia". I remarked that, as Saito wrote me, I saw no reason whatever why our two countries should not, in the most friendly and satisfactory way to each, solve every question or condition that existed now or that might arise in the future. I then said that, in my opinion, his country could conduct its affairs in such a way that it would live by itself during the coming generations, or that it might conduct its affairs even more profitably and at the same time retain the perfect understanding and the friendship of all civilized nations in particular; that my hope and prayer was that all the civilized nations of the world, including Japan, should work together and in a perfectly friendly and understanding way so as to promote to the fullest extent the welfare of their respective peoples and at the same time meet their duties to civilization and to the more backward populations of the world; and that my Government would always be ready and desirous of meeting his Government fully half-way in pursuing these latter objectives.

I then

I then remarked that I would be entirely frank by saying that just now there was considerable inquiry everywhere as to just why his government singled out the clause or formula about Japan's claiming superior and special interests in the peace situation in "Eastern Asia" and her superior rights or duties in connection with the preservation of peace there; and that many were wondering whether this phrase or formula had ulterior or ultimate implications partaking of the nature of an overlordship of the Orient or a definite purpose to secure preferential trade rights as rapidly as possible in the Orient or "Eastern Asia" - to use the Japanese expression. The Ambassador commenced protesting that this was not the meaning contemplated or intended. I said it would be much simpler and easier if when the national of any other government engaged in some act in the Orient which Japan might reasonably feel would affect her unsatisfactorily, to bring up the individual circumstance to the proper government, instead of issuing a blanket formula which would cause nations everywhere to inquire or surmise whether it did not contemplate an overlordship of the

Orient

Orient and an attempt at trade preferences as soon as possible. The Ambassador again said that this so-called formula about the superior interests of Japan in preserving peace, etc., did not contemplate the interference or domination or overlordship such as I had referred to.

I stated that to-day there was universal talk and plans about armaments on a steadily increasing scale and that Japan and Germany were the two countries considered chiefly responsible for that talk; that, of course, if the world understood the absence of any overlordship intentions or other unwarranted interference by his government, as the Ambassador stated them to me, his country would not be the occasion for armament discussion in so many parts of the world; and that this illustrated what I had said at the beginning of our conversation that nations should make it a special point to understand each other, and the statesmen of each country should be ready at all times to correct or explain any trouble-making rumors or irresponsible or inaccurate statements calculated to breed distrust and misunderstanding and lukewarmness between nations. I went on to say that it was never so important for the few existing civilized

countries

countries of the world to work whole-heartedly together; and that this action of course would, more fully than any other, promote the welfare of the people of each and also would best preserve civilization. I emphasized again that it would be the height of folly for any of the civilized nations to pursue any line of utterances or professed policies that would engender a feeling of unfairness or treaty violation or other unsatisfactory reaction in the important nations who might have both rights and obligations in a given part of the world such as the Orient. I said that in this awful crisis through which the world was passing, debtors everywhere were not keeping faith with creditors in many instances; that sanctity of treaties, in Western Europe especially, was being ignored and violated; that this was peculiarly a time when our civilized countries should be especially vigilant to observe and to preserve both legal and moral obligations; and that my country especially felt that way, not only on its own account but for the sake of preserving the better and the higher standards of both individual and national conduct everywhere.

I remarked that my Government, apart from its general treaty obligations, was only interested in the equality

of trade rights in the Orient as in every part of the world and also its obligations and rights under the law of nations; that what little trade we had in the Orient we naturally desired to conduct on this basis of equality, even though it might be less in the future than now. Then I remarked that if these treaties which imposed special obligations on my government in the Orient were not in existence that, while interested in peace in all parts of the world, my government would also be interested in equality of trade rights.

I inquired whether his government had any disposition to denounce and get rid of these treaties in whole or in part, and said that to ignore or violate them would be embarrassing to my government, and that this would relieve it of any possibilities of such embarrassment. I said that I was not remotely suggesting in the matter. He replied that his government was not disposed to denounce and abrogate these treaties. He said that they felt obliged to get out of the League of Nations on account of certain considerations which their membership created. I then inquired of him whether his government abandoned membership on account of difficulties arising from the fact that Japan was a member of the League or whether it

was due to Japan being a signatory to the Versailles Treaty. I did not get a complete answer to this.

The Ambassador then stated that in any preliminary naval conversations that might soon take place, his government would be opposed to discussing any Far Eastern political or similar questions or conditions and that only the purely naval side should be taken up. He said that political and all other phases of the subject were discussed at the Washington Conference and his government was opposed to a repetition of this. I offered no comment.

C.H.

S CH:HR

Paula
Tel Personal
re Japan

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY
WASHINGTON

May 24, 1934.

MEMORANDUM FOR THE PRESIDENT.

Dear Mr. President:-

The attached memorandum on Japanese immigration to Latin American countries was prepared at your suggestion and is herewith transmitted to you.

Hull

DEPARTMENT OF STATE

DIVISION OF LATIN-AMERICAN AFFAIRS

MEMORANDUM May 9, 1934.

JAPANESE EMIGRATION TO LATIN AMERICAN COUNTRIES.

Japanese emigration to South America commenced in the closing year of the last century, when a group of settlers was sent to Peru by an emigration agency. However, the narrow river valleys of the Peruvian coast did not offer room for great colonial expansion, nor were the prodigious altitudes of the Andean table land suited to a race of islanders. Twenty-five years ago the first band of Japanese settlers sailed to Brazil and since that time this republic has absorbed the great majority of subsequent emigrants to the continent. Practically all of the colonists who have journeyed to Brazil have made their homes in the one state of São Paulo, commencing their residence as humble laborers on the coffee fazendas and eventually rising through the exercise of hard work and frugality to the position of small land owners. A parallel to this individual economic trend is to be observed in the history of Japanese colonization on the Pacific coast of the United States.

Following

Following the Japanese exclusion act of 1924 in the United States there occurred a rapid increase in the numbers of Japanese emigrating to Brazil. In that year the total number of settlers was 3,689. In 1925 almost 5,000 Japanese went to Brazil, and after that emigration increased rapidly. 1926 registered a movement of 8,599 Japanese to Brazil; 1927, 9,625; 1928, 12,002; 1929, 8,117; and 1930, 7,982. During the past three years the numbers of Japanese emigrants have been: 1931, 4,849; 1932, 13,695; and for the first nine months of 1933, 18,693.

The jump in the number of emigrants between 1927 and 1928 is especially significant. In 1927 the Imperial Diet sanctioned the Industrial Corporation Law which established the machinery of Government assistance in stimulating emigration to Brazil. In essence the law sought to encourage emigration by setting up a corporation for the recruitment and colonization of Japanese settlers in Brazil and other South American countries; by giving emigrants a small bounty in cash; by defraying part or all of the steamship fare; and by supervising settlement of the new colonists on Brazilian soil, with the sanction and cooperation of the Brazilian Government and of the State of São Paulo, where the bulk of the emigrants went. Since that time

the

the emigration of Japanese to Brazil has been administered and achieved by four agencies. They are the Ministry of Overseas Affairs, the Kaigai Kogyo Kabushiki Kaisha (International Development Company, Ltd.), the Kobe Emigrants' House and the Osaka Shosen Kaisha steamship line.

The Government supervised the establishment of an emigration corporation, the Kaigai Kogyo Kaisha, the erection and functioning of the Kobe Emigrants' House and the transportation of the colonists to Brazil. All of these activities are discussed at greater length below. The part which the Government now plays per se, aside from general supervision, is that of subsidizing the individual emigrant, the recruiting corporation and the steamship line. The amount of these bounties will be set forth in the subsequent discussion. In addition to this material cash assistance, the Government formulated in 1927-28 a plan of colonization, in collaboration with the Kaigai Kogyo Kaisha and the administrations of the State of São Paulo and of Brazil. The essentials of this program were the acquisition of 100,000 acres of farm land in São Paulo on which 1,600 families were to be placed in the three years between 1927 and 1930. By the end of 1928 9,600 settlers had been sent to these colonies, to be followed by approximately

16,000

16,000 during 1929 and 1930. Around 2,000 settled elsewhere than on this land, which was administered by the Kaigai Kogyo Kaisha in São Paulo.

The Japanese budget for 1933-34 carries an item of Yen 5,744,749 for the protection and encouragement of emigrants and oversea exploitation and colonization enterprises. It is understood that most of the above sum will be used for projects of emigration to Brazil.

The Brazilian Constitution of 1891 forbade the limitation of immigration. However, limitations were promptly enacted by the revolutionary government in 1930 when the constitution became subject to modification by decree. The determination to make immigration restrictions legal under the new constitution seems to be revealed by recent debates in the Constituent Assembly.

After Brazil, Peru has the largest Japanese population of any Latin American country. Official figures published in Tokyo in 1929 gave a total of 18,401 Japanese in Peru. Since that time, according to the Chinese Minister in Peru, as reported by the Embassy, there has been considerable Japanese emigration and he estimated that there were not less than 30,000 Japanese in Peru in 1931. However, official Japanese figures for Peru give the Japanese population of Peru on October 1, 1932, as 21,019.

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The following table gives official Japanese figures to October 1, 1932, of the Japanese populations of the several South American countries:

Brazil	134,848*
Peru	21,019
Argentina	5,085
Mexico	6,079
Chile	637
Bolivia	643
Uruguay	29
Paraguay	12
Colombia	132
Venezuela	12
Cuba	764
Panama	306

There are no figures available after October 1, 1932.

I took up with FE the question of sending a circular telegram to the missions in Latin America to request the most recent figures. FE informed me that they would not like to see a concerted request by our missions in Latin America for Japanese immigration figures. FE stated that they had recently turned down a request of the Navy Department to have American consular officers follow the movements of Japanese ships for obvious reasons.

In a despatch, dated March 23, 1934, from Lima, Ambassador Dearing reported that recent activities of Japanese commercial representatives and business houses in Peru have produced unrest in local industrial circles.

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* With figures for 1933 furnished by the Consulate at São Paulo, Brazil, the total Japanese population of Brazil is approximately 153,000.

The local press of all political shades initiated a campaign against the importation of Japanese goods in competition with some of the local manufacturers, especially textiles. LA NACION of Lima on February 3, 1934, stated that an anti-Japanese League is to be constituted shortly. During the months of January and February 1934 many issues of the local press carried anti-Japanese articles, particularly referring to Japanese competition and Japanese workers in Peru.

J. F. McGurk.

LA:JFMcG:CJF

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY
WASHINGTON

May 24, 1934.

MEMORANDUM FOR THE PRESIDENT.

Dear Mr. President:-

I herewith enclose memorandum of conversation with the Japanese Ambassador on May 16, with an attached memorandum handed to me by the Ambassador during this conversation.

2. Memorandum of conversation with the Japanese Ambassador on May 19, attached to which is memorandum prepared by the Far Eastern Division, dated May 16, for use in connection with the conversation with the Ambassador on May 19.

3. Promiscuous current data on the Japanese question, including a general memorandum prepared by the Far Eastern Division under date of April 20, copy of which you may have seen.

I shall be ready and glad at any time to confer with you touching any point or points which may arise in your mind after reading the enclosed data.

Cordell Hull

DEPARTMENT OF STATE

THE SECRETARY

May 16, 1934.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AND THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

In accordance with his personal request made of me prior to the middle of April for a confidential and purely informal conversation about affairs as they exist between his Government and the Government of the United States, I met the Japanese Ambassador at my apartments in the Carlton Hotel by appointment this morning. The Ambassador had specially requested that this conversation be entirely confidential, not made of record, and not conveyed to anybody. With only a word or two of preliminary conversation, the Ambassador proceeded to refer to his original suggestion that we have this conversation with a view to seeing whether different questions with respect to the relations between our two governments might not be simplified, and perfect and permanent relations of understanding and friendship be developed between the two countries as a result.

He then handed me three pages of manuscript, unsigned,

which

which he said was to be treated in the same manner as the whole conversation. I read the manuscript, and then commented to the effect that I found it a very interesting paper and would be disposed to examine the various topics contained in it with care and interest. There was no attempt on my part to make the slightest commitment in any way, nor to advance counter proposals or topics in any affirmative manner. I did, purely in a tone of inquiry, bring a number of considerations to the attention of the Ambassador. After I read his manuscript, he remarked that his people had been led to believe, to a more or less extent, that the United States in the past had sought to checkmate his country in most all of its plans, ideas, or moves in the way of progress externally, which I construed to mean political and military expansion or expansion by force or its equivalent.

I remarked that we were living in a highly civilized age, and that my country, for example, was exerting every effort as rapidly as possible to condemn, repudiate, and discard any and every practice, policy, or utterance that might be reasonably calculated to give just or reasonable grounds of complaint to any other people or country;

country; that it was our attitude to condemn and abandon just as rapidly as possible a number of practices towards different Latin American countries which had given rise to friction, misunderstanding, and illwill between our country and those affected; that human progress and civilization called for just such reforms and that this was the way my government and my people felt; and that we had no notion of turning back to those irritating and trouble-breeding methods which at times my government had applied to different countries in Latin America.

I commented further, at the same time emphasizing that I was only offering this comment in the form of an inquiry which at present did not call for an answer, on the grave crisis in almost every conceivable way through which the world was passing; and remarked that some months ago an American citizen stepped into an aeroplane and sailed away, but that inside of eight days after flying around the world and over Japan, the Ambassador's own country, this same American alighted back at the station in the United States from which he had started; that formerly, and until very recently, England, for

example,

example, had felt herself isolated and secure from any ordinary interference with the Channel between her and Western Europe, whereas it was now patent that a fleet of 2000 bombing planes, probably carrying explosives of infinitely more powerful force than any heretofore used, could with perfect ease and convenience fly from many of the capitals of Western Europe to London, blow that city off the map, and return within a few hours time to their base. I said that twenty years ago no human being with the wildest stretch of the imagination could have visualized the smallest part of the amazing changes that had taken place in every part of the world during this period, and that only the Lord could begin to visualize the even more startling changes that might reasonably take place during the next twenty years; that amidst these amazing changes the more highly civilized nations had correspondingly greater responsibilities and duties, both from the standpoint of their own progress and well-being and that of the world, that could not be dodged or evaded; and that no notion need for a moment be entertained that my country, or his, or any other one country, no matter how highly civilized, could securely keep itself above the much lower level of world affairs, leaving

them

them and all the people of other countries to undergo a steady state of decline and even collapse, without that civilized nation itself being drawn down in the vortex.

I stated that this meant that since there were no two more highly civilized countries than Japan and the United States, their own self-preservation, as well as their world responsibility, called for the utmost breadth of view and the profoundest statesmanship that their biggest and ablest statesmen could offer; that, faced with these unprecedented problems and conditions, it was all-important that his statesmen and mine should be broad-guaged enough to understand each other's problems and conditions, as well as those of the world, and to have the disposition and the will to deal with them in such capable manner as would avoid misunderstanding or material differences and promote both national and world progress; and that in no other way could countries like Japan and the United States, which were at present the trustees of the greatest civilization in history, make such showing as would give them a creditable place in the future history of the world. I said that, of

course,

course, Great Britain and other countries had their wonderful civilization, which I was not even remotely minimizing, but that Great Britain in particular was at present, and would be perhaps for some time to come, deeply engrossed with the serious and dangerous political, economic, and peace problems in Western Europe.

I repeated from time to time that I was only commenting in a general and inquiring way, and the Ambassador indicated his agreement with my utterances without elaborating upon them. I further commented in the way of professed inquiry that in all of these circumstances - together with another important circumstance, which was that Japan with her 65 million people was surrounded by over a billion of the world's population which was living chiefly in a very primitive condition, and that the economic, social, and political rehabilitation of all these peoples involved vast needs of capital and of other phases of material cooperation, with the result that these needs were and would be so vast that no one country could supply them within a number of generations - I was wondering, therefore, as to just how rapidly Japan would deem it either necessary or wise to expand with

her

her commerce. I left the implication broad enough to include political and other kinds of expansion. I then elaborated just a little further about the huge undertaking that would be involved, and said that in the meantime nobody could predict what would be happening to the world in an infinite number of ways which would call for the utmost cooperation on the part of civilized nations.

I agreed to confer further with the Ambassador at my apartments in the Carlton Hotel after examining the manuscript.

C.H.

S CH:HR

(Original)

Handed to the Secretary of State by the Japanese Ambassador on May 16, 1934.

STRICTLY CONFIDENTIAL

Opened 10/24/47 by [illegible]

~~SECRET AND STRICTLY CONFIDENTIAL.~~

These are entirely my private thoughts:

(1) There are too much suspicion and fear between the United States and Japan at present and some governmental action to dispel such feelings on both sides is very desirable.

(2) The impending naval disarmament problem can most happily be approached after some such measure is taken.

(3) American suspicions as to Japan's motives are essentially these: That Japan has aggressive designs on the Asiatic Continent and that Japan may even be courting war with the United States -- which are not true.

(4) Japanese suspicions as to American motives are essentially these: That the United States constantly tries to obstruct Japan from working out her national aim, which is nothing but the establishment of peace and order in the Far East; that the United States has been giving undue encouragements to China to take a defiant attitude against Japan -- which are not true.

(5) Japan and the United States should repose full confidence in the sincerity of the peaceful mo-

tives of each other.

(6) Trade relations between the two countries are fortunately complementary, highly beneficial to both and should be promoted.

(7) Upon these premises, cannot a joint declaration be now made by the United States and Japanese Governments? — in some such sense: —

(a) Both Governments will coöperate with each other to promote trade to the mutual advantage of the two countries and to make secure the principle of equal opportunity of commerce in the Pacific Regions.

(b) Both Governments, having no aggressive designs whatever, reaffirm the pledges each to respect the territorial possessions and the rights and interests of the other, and restate their determination that the two countries should ever maintain a relationship of peace and amity.

(c) Both Governments mutually recognize that the United States in the eastern Pacific regions and Japan in the western Pacific regions are principal stabilizing factors and both Governments will exercise their best and constant efforts so far as lies within their proper and legitimate power to establish a reign of law and order in the regions geographically adjacent to their respective countries.

(8) If such a joint declaration can now be made, all war talk will immediately be silenced, the psychology of men will undergo a change and whatever question may arise between our two countries will become capable of an easy solution. China will begin to see that she can no longer rely upon her time-honored policy of setting one Power against another. Not only so, but peace of the Pacific Regions will thereby be lastingly established,—a signal contribution to world peace.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

S

FE

STRICTLY CONFIDENTIAL

Opened 10/26/67 mw

May 16, 1934.

Reference: The Japanese Ambassador's Secret and Strictly Confidential Memorandum Handed to the Secretary of State on May 16, 1934.

What the Ambassador suggests is that "a joint declaration be now made by the United States and Japanese Governments" covering certain points indicated (items (a), (b), and (c)) on page two of his memorandum.

Scrutiny of his suggestion leads to the conclusion that the objectives of its author are (1) to obtain a diplomatic exchange significant of a definite rapprochement between the United States and Japan and (2) recognition in some sense by the United States of Japan's special position as the "principal stabilizing factor" in the Far East.

Four officers of the Division of Far Eastern Affairs have examined this memorandum and conferred with regard to the problem which it presents. Our preliminary observations are as follows:

In 1908, there was concluded between the American and the Japanese Governments an agreement, known as the Root-Takahira exchange of notes, in which the two Governments made declaration of their common policy in the Far East.

That

That agreement is still in effect. It is believed that the declarations which it contains are adequately specific and comprehensive with regard to principles which from the point of view of the American Government ought to prevail in regulation of the action both of the United States and of Japan in the Far East. However, the conclusion of that agreement did not suffice to do away with friction and tension between the two countries parties to it. It is believed that Japan has not lived up to the spirit or the letter of that agreement.

In 1917, there was concluded between the American Government and the Japanese Government an agreement known as the Lansing-Ishii exchange of notes. That agreement was concluded in a period when there was confusion and under circumstances which should make the American Government very wary about any proposal from Japan for the conclusion of another such agreement or the taking of any comparable action. For several years it contributed to misunderstanding and misrepresentation. It in no way made for better understanding between Japan and the United States. It tended to diminish the prestige of the United States in the Far East and to inject complications into our relations with Japan and with China. This agreement was definitely canceled by an exchange of letters between the Japanese Ambassador in Washington and the Secretary of State (Mr. Hughes) on April 14, 1923.

In

In 1934, in February and March, there were exchanged between the Japanese Minister for Foreign Affairs and the American Secretary of State letters in the texts of which there are contained statements substantially covering two out of the three points which the Japanese Ambassador now suggests be made a part of the substance of a joint declaration. Scarcely had the texts of these letters been made public when various Japanese officials precipitated a new issue in Far Eastern affairs by statements disclosing an intent on Japan's part to pursue a policy with regard to China inconsistent with a whole series of pledges which Japan has made in the past.

(NOTE: Documents relating to the matters outlined above are attached hereto.)

In our opinion:

(1) There need be no particular haste about replying to the Japanese Ambassador.

(2) It will probably be desirable to make a reply within a week or ten days. It is now understood that the Ambassador expects to leave for Japan toward the end of this month or early in June and to be away for some three or four months.

(3) In principle, the suggestion under consideration cannot be regarded with favor. There exist a sufficient number of treaties and agreements for the regulation of the action of the United States and of Japan in and with regard to the

the Far East. If both Governments intend to live up to the agreements already in effect and to be guided by principles of law and justice, there is no need for any special bilateral agreement between them declarative of their policy. Neither of the two such special agreements into which they have already entered, referred to above, one of which is still in existence, has served any really useful purpose. Entry into such an agreement at this time would not be advantageous to the United States. As a matter of fact, the present would be a particularly unpropitious moment for the taking of any such step -- right on the heels of the recent excitement occasioned by the disclosure by Japanese officials of a definite China policy on Japan's part not in accord with the principles and provisions of existing treaties (with many countries) to which Japan is a party.

(4) We should plan to express to the Ambassador a view adverse to the adoption of his suggestion.

Officers of this Division will continue to have this matter under consideration with a view to formulating recommendations.

FE:SKH/ZMK FE

TREATY SERIES, No. 511½

AGREEMENT

EFFECTED BY EXCHANGE OF NOTES BETWEEN

THE UNITED STATES

AND

JAPAN

Declaring Their Policy in the Far East

SIGNED NOVEMBER 30, 1908

WASHINGTON
GOVERNMENT PRINTING OFFICE
1921

[*The Japanese Ambassador to the Secretary of State.*]

IMPERIAL JAPANESE EMBASSY,
Washington, November 30, 1908.

Sir:

The exchange of views between us, which has taken place at the several interviews which I have recently had the honor of holding with you, has shown that Japan and the United States holding important outlying insular possessions in the region of the Pacific Ocean, the Governments of the two countries are animated by a common aim, policy, and intention in that region.

Believing that a frank avowal of that aim, policy, and intention would not only tend to strengthen the relations of friendship and good neighborhood, which have immemorially existed between Japan and the United States, but would materially contribute to the preservation of the general peace, the Imperial Government have authorized me to present to you an outline of their understanding of that common aim, policy, and intention:

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

4. They are also determined to preserve the common interest of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

If the foregoing outline accords with the view of the Government of the United States, I shall be gratified to receive your confirmation.

I take this opportunity to renew to Your Excellency the assurance of my highest consideration.

K. TAKAHIRA

Honorable ELIHU ROOT,
Secretary of State.

[*The Secretary of State to the Japanese Ambassador.*]

DEPARTMENT OF STATE,
Washington, November 30, 1908.

Excellency:

I have the honor to acknowledge the receipt of your note of to-day setting forth the result of the exchange of views between us in our recent interviews defining the understanding of the two Governments in regard to their policy in the region of the Pacific Ocean.

It is a pleasure to inform you that this expression of mutual understanding is welcome to the Government of the United States as appropriate to the happy relations of the two countries and as the occasion for a concise mutual affirmation of that accordant policy respecting the Far East which the two Governments have so frequently declared in the past.

I am happy to be able to confirm to Your Excellency, on behalf of the United States, the declaration of the two Governments embodied in the following words:

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned, and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

4. They are also determined to preserve the common interests of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

Accept, Excellency, the renewed assurance of my highest consideration.

ELIHU ROOT

His Excellency
BARON KOGORO TAKAHIRA,
Japanese Ambassador.

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TREATY SERIES No. 630

AGREEMENT (*)

EFFECTED BY EXCHANGE OF NOTES BETWEEN

THE UNITED STATES

AND

JAPAN

MUTUAL INTEREST RELATING TO THE REPUBLIC OF CHINA

SIGNED NOVEMBER 2, 1917

(*) This agreement was canceled by a formal exchange of notes effected at Washington on April 14, 1923, which is printed as Treaty Series, No. 667.

WASHINGTON
GOVERNMENT PRINTING OFFICE
1919

[*The Secretary of State to the Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission.*]

DEPARTMENT OF STATE,
Washington, November 2, 1917.

Excellency:

I have the honor to communicate herein my understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to the Republic of China.

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two Governments with regard to China is advisable.

The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other powers.

The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "Open Door" or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any Government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I shall be glad to have Your Excellency confirm this understanding of the agreement reached by us.

Accept, Excellency, the renewed assurance of my highest consideration.

ROBERT LANSING

His Excellency
Viscount KIKUJIRO ISHII,
Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission.

[*The Ambassador Extraordinary and Plenipotentiary of Japan, on Special Mission, to the Secretary of State.*]

THE SPECIAL MISSION OF JAPAN,
Washington, November 2, 1917.

SIR: I have the honor to acknowledge the receipt of your note of to-day, communicating to me your understanding of the agreement reached by us in our recent conversations touching the questions of mutual interest to our Governments relating to the Republic of China.

I am happy to be able to confirm to you, under authorization of my Government, the understanding in question set forth in the following terms:

In order to silence mischievous reports that have from time to time been circulated, it is believed by us that a public announcement once more of the desires and intentions shared by our two Governments with regard to China is advisable.

The Governments of Japan and the United States recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other Powers.

The Governments of Japan and the United States deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principle of the so-called "Open Door" or equal opportunity for commerce and industry in China.

Moreover, they mutually declare that they are opposed to the acquisition by any government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subjects or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China.

I take this opportunity to convey to you, Sir, the assurances of my highest consideration.

K. ISHII
Ambassador Extraordinary and Plenipotentiary of Japan on Special Mission.

Honorable ROBERT LANSING,
Secretary of State.

67TH CONGRESS, 2d Session. } SENATE. { DOCUMENT No. 150.

THE LANSING-ISHII AGREEMENT.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

IN RESPONSE TO A SENATE RESOLUTION OF FEBRUARY 23 (CALENDAR DAY, MARCH 6), 1922, INFORMATION AS TO THE PRESENT STATUS AND BINDING EFFECT OF THE SO-CALLED LANSING-ISHII AGREEMENT, SIGNED NOVEMBER 2, 1917.

MARCH 7 (calendar day, MARCH 8), 1922.—Read; ordered to lie on the table and to be printed.

To the SENATE:

I have received the resolution (S. Res. 251) requesting me, if not incompatible with the public interest—

to advise the Senate as to the present status and binding effect of what is known as the Lansing-Ishii agreement between the United States and the Empire of Japan.

Secondly, as to whether or not the four-power pact, now before the Senate for consideration, if ratified, will abrogate, nullify, or in any way modify such agreement; and as to what will be the status of said agreement after the ratification of said four-power pact.

The so-called Lansing-Ishii agreement, signed November 2, 1917, was not a treaty, but was an exchange of notes between the Secretary of State of the United States and Viscount Ishii, ambassador extraordinary and plenipotentiary of Japan on special mission. It was described in the notes themselves as a public announcement of the desires and intentions shared by the two Governments with regard to China. This exchange of notes, in the nature of things, did not constitute anything more than a declaration of Executive policy. It is hardly necessary to point out that such a declaration, or exchange of notes, could not have any effect whatever inconsistent with treaty obligations whether existing or thereafter coming into force.

The statement in the notes in question which apparently called forth your resolution is as follows:

> The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China and particularly in the part to which her possessions are contiguous.

In the light of the other declarations of the notes in question, it has been the view of the Government of the United States that this reference to special interests in China did not recognize any right or claim inconsistent with the sovereignty or political independence of China or with our "open-door" policy.

That this was not an erroneous construction appears from the meaning ascribed to the phrase "special interests in China," which is found in the final statement made on behalf of Japan at the recent conference. (S. Doc. No. 126, 67th Cong., 2d sess., p. 223.) The phrase was interpreted to mean that propinquity gave rise to an interest differing only in degree, but not in kind, as compared with the interests of other powers. It was said to intimate "no claim or pretension of any kind prejudicial to China or to any other foreign nation" and not to connote "any intention of securing preferential or exclusive economic rights in China."

Happily, as a result of the conference, it is not now necessary to consider any possible ambiguity in the expressions used in the Lansing-Ishii agreement of 1917, as any question which they might have raised has been completely set at rest by the treaty, now before the Senate, to which the United States and Japan are parties. I refer to the treaty between the nine powers, which explicitly sets forth the principles and policies to be maintained by the signatory powers in relation to China.

It is thus agreed to respect the sovereignty, the independence, and the territorial and administrative integrity of China; to provide the fullest and most unembarrassed opportunity to develop and maintain for herself an effective and stable government; to use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China; to refrain from taking advantage of conditions in China in order to secure special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States.

More specifically, the signatory powers agree that they will not seek, nor support their respective nationals in seeking, any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China, or any such monopoly or privilege as would deprive the nationals of any other power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government or with any local authority, in any category of public enterprise, or which by reason of its scope, duration, or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

And, further, the signatory powers agree not to support any agreements by their respective nationals with each other designed to

create spheres of influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

The negotiation of this treaty is in itself the most formal declaration of the policy of the Executive in relation to China, and supersedes any Executive understanding or declaration that could possibly be asserted to have any contrary import. If the Senate assents to this treaty, the principles and policies which the treaty declares will be supported and enforced by a binding international agreement.

My answer, then, to your first question is that the so-called Lansing-Ishii agreement has no binding effect whatever, either with respect to the past or to the future, which is in any sense inconsistent with the principles and policies explicitly declared in the nine-power treaty to which I have referred.

As to your second question, I may say that the four-power treaty does not refer to China and hence does not directly bear upon the Lansing-Ishii notes which related exclusively to China. The four-power treaty, however, is an essential part of the plan to create conditions in the Far East at once favorable to the policies we have long advocated and to an enduring peace.

WARREN G. HARDING.

THE WHITE HOUSE,
March 8, 1922.

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TREATY SERIES, No. 667

EXCHANGE OF NOTES

BETWEEN

THE UNITED STATES AND JAPAN

Canceling the Lansing-Ishii Agreement of November 2, 1917

SIGNED APRIL 14, 1923

WASHINGTON
GOVERNMENT PRINTING OFFICE
1923

[*The Secretary of State to the Japanese Ambassador.*]

DEPARTMENT OF STATE,
Washington, April 14, 1923.

EXCELLENCY:

I have the honor to communicate to Your Excellency my understanding of the views developed by the discussions which I have recently had with your Embassy in reference to the status of the Lansing-Ishii Exchange of Notes of November 2, 1917.

The discussions between the two Governments have disclosed an identity of view and, in the light of the understandings arrived at by the Washington Conference on the Limitation of Armament, the American and Japanese Governments are agreed to consider the Lansing-Ishii correspondence of November 2, 1917, as cancelled and of no further force or effect.

I shall be glad to have your confirmation of the accord thus reached.

Accept, Excellency, the renewed assurances of my highest consideration.

CHARLES E. HUGHES

His Excellency Mr. MASANAO HANIHARA,
Japanese Ambassador.

[*The Japanese Ambassador to the Secretary of State.*]

JAPANESE EMBASSY,
Washington, April 14, 1923.

SIR:

I have the honor to acknowledge the receipt of your note of today's date, communicating to me your understanding of the views developed by the discussions which you have recently had with this Embassy in reference to the status of the Ishii-Lansing Exchange of Notes of November 2, 1917.

I am happy to be able to confirm to you, under instructions from my Government, your understanding of the views thus developed, as set forth in the following terms:

The discussions between the two Governments have disclosed an identity of view and, in the light of the understandings arrived at by the Washington Conference on the Limitation of Armament, the Japanese and American Governments are agreed to consider the Ishii-Lansing correspondence of November 2, 1917, as cancelled and of no further force or effect.

Accept, Sir, the renewed assurances of my highest consideration.

M. HANIHARA

Honorable CHARLES E. HUGHES,
Secretary of State.

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DEPARTMENT OF STATE

FOR THE PRESS March 20, 1934.

SPECIAL CONFIDENTIAL INSTRUCTION.	NOT TO BE TELEGRAPHED, CABLED OR RADIOED BEFORE 3 A.M., EASTERN STANDARD TIME, March 21, 1934.

CONFIDENTIAL RELEASE FOR PUBLICATION IN THE AFTERNOON NEWSPAPERS OF WEDNESDAY, MARCH 21 IN THE UNITED STATES AND EUROPE; AND IN THE THURSDAY MORNING NEWSPAPERS, MARCH 22, IN THE FAR EAST. NOT TO BE PREVIOUSLY PUBLISHED, QUOTED FROM, OR USED IN ANY WAY.

TEXT OF INFORMAL AND PERSONAL MESSAGE FROM MR. HIROTA, MINISTER FOR FOREIGN AFFAIRS OF JAPAN, HANDED TO THE SECRETARY OF STATE OF THE UNITED STATES BY THE JAPANESE AMBASSADOR, MR. HIROSI SAITO, FEBRUARY 21, 1934.

"JAPANESE EMBASSY

WASHINGTON

"Informal and personal Message from Mr. Hirota, Minister for Foreign Affairs, as Telegraphed to Mr. Saito, the Japanese Ambassador.

"To the Honorable
The Secretary of State.

"It is a significant fact that ever since Japan and the United States opened their doors to each other exactly eighty years ago, the two countries have always maintained a relationship of friendliness and cordiality.

"It

"It is a matter for gratification to both our countries that they produce very few commodities which represent conflicting interests in their foreign trade, that each supplies what the other wants, that they are good customers of each other's products, and that they are strengthening their relation of interdependence year after year.

"I firmly believe that viewed in the light of the broad aspect of the situation and studied from all possible angles, no question exists between our two countries that is fundamentally incapable of amicable solution. I do not doubt that all issues pending between the two nations will be settled in a satisfactory manner, when examined with a good understanding on the part of each of the other's position, discussed with an open mind and in all frankness, and approached with a spirit of cooperation and conciliation.

"I can state with all emphasis at my command that the Japanese nation makes it its basic principle to collaborate in peace and harmony with all nations and has no intention whatever to provoke and make trouble with any other Power.

"It is the sincere desire of Japan that a most peaceful and friendly relation will be firmly established between her and her great neighbor across the Pacific, the United States. And to this end I have been exerting my best efforts since I took the post of Foreign Minister.

"I am happy, therefore, to avail myself of the occasion of the arrival in your country of Mr. Saito, the new Ambassador, to lay before you, through him, Mr. Secretary, my thoughts as to the necessity of promoting our traditional friendship as above.

"I hope and believe that the desire of the Japanese Government in this respect will be reciprocated by a full support and countenance on the part of your Government."

TEXT OF THE REPLY OF THE SECRETARY OF STATE, MR. CORDELL HULL, TO THE MESSAGE OF THE JAPANESE MINISTER FOR FOREIGN AFFAIRS, HANDED TO THE JAPANESE AMBASSADOR BY THE SECRETARY OF STATE ON MARCH 3, 1934:

"Mr. Saito, the new Ambassador of Japan to the United States, has delivered to me the personal and informal message which you have been so good as to send me.

"The cordial sentiments which you express in this message I highly appreciate and reciprocate.

"I have not failed to note, with gratification, Your Excellency's effort to foster friendly relations with other powers. In all such effort I am sure that you realize that you may rely upon me for the fullest possible measure of cooperation.

"You express the opinion that viewed in the light of the broad aspects of the situation and studied from all possible angles no question exists between our two countries that is fundamentally incapable of amicable solution. I fully concur with you in that opinion. Further I believe that there are in fact no questions between our two countries which if they be viewed in proper perspective in both countries can with any warrant be regarded as not readily susceptible to adjustment by pacific processes. It is the fixed intention of the American Government to rely, in prosecution of its national policies, upon such processes. If unhappily there should arise in the future any controversy between our two countries, the American Government will be prepared, as I believe it always has been in the past, to examine the position of Japan in a spirit of amity and of desire for peaceful and just settlement, with the confident expectation that the Japanese Government will be prepared to examine the position of the United States in the same spirit.

"You refer to the gratifying fact that in the field of trade the interests of our two countries are not in conflict and commercial ties are being constantly strengthened. I perceive every reason to anticipate that the United States and Japan will continue to develop their reciprocal trade with benefit to both countries and, where there may be competition, with constant reciprocal good will.

"You state emphatically that Japan has no intention whatever to provoke and make trouble with any other power. I receive this statement with special gratification and I am glad to take this opportunity to state categorically that the United States on its part has no desire to create any issues and no intention to initiate any conflict in its relations with other countries.

"In the light of these facts I feel that I should also avail myself of this opportunity to express my earnest hope

that

that it may be possible for all of the countries which have interests in the Far East to approach every question existing or which may arise between or among them in such spirit and manner that these questions may be regulated or resolved with injury to none and with definite and lasting advantage to all.

"I shall of course be glad to receive through the Ambassador of Japan to the United States or the Ambassador of the United States to Japan any suggestions calculated to maintain and to increase that friendliness and cordiality which have constantly marked since the conclusion of our first treaty the relations between our two countries. You may count upon my earnest desire to favor any measure or steps which may be practicable toward this end and toward fostering at the same time relations of peace, good will and general benefit among all members of the Family of Nations."

PSF: Japan

THE SECRETARY OF STATE
WASHINGTON

June 9, 1934.

My dear Mr. President:

I send you herewith a copy of a memorandum of my conversation with the Japanese Ambassador held on May 29, 1934.

This was in reply to a proposal which the Ambassador had made in a "secret and strictly confidential" memorandum which he handed to me on May 16 that the American and the Japanese Governments make a "joint declaration" of policy. My reply was, in brief, that we could not adopt that suggestion, but in making that reply I took occasion to comment at considerable length upon some of the points which he had made and to express and emphasize the view that the real test of friendship and of friendly intention between the two countries is to be found in action rather than words.

At this moment we have indications that the Ambassador is not inclined to accept as final my expression of the view that we cannot act upon his suggestion

The President,

The White House.

suggestion that there be made a joint declaration and that he may be contemplating appealing to you in the hope that you will be more responsive to his effort. That was what Viscount Ishii did in 1918, appealed to the President after the Secretary of State had expressed himself adversely to the making of a joint declaration of policy, with the result that there was concluded at that time the Lansing-Ishii Agreement - which Agreement resulted in no end of confusion and embarrassment. I feel that it is highly desirable that you give the Ambassador no encouragement to think or to report to his Government that you are favorably disposed toward his project. Already certain Japanese newspapers have stated that you made a promise to Viscount Ishii when he was here last year which promise the American Government has not kept. You of course made no such promise, but the likelihood is that the slightest indication of willingness to take the matter under consideration will be construed or be represented by Japanese officials concerned as a favorable assurance.

Faithfully yours,

Cordell Hull

Handed to the Secretary of
State by the Japanese Ambassador
on May 16, 1934.

~~SECRET~~ AND ~~STRICTLY CONFIDENTIAL~~.

These are entirely my private thoughts:

(1) There are too much suspicion and fear between the United States and Japan at present and some governmental action to dispel such feelings on both sides is very desirable.

(2) The impending naval disarmament problem can most happily be approached after some such measure is taken.

(3) American suspicions as to Japan's motives are essentially these: That Japan has aggressive designs on the Asiatic Continent and that Japan may even be courting war with the United States -- which are not true.

(4) Japanese suspicions as to American motives are essentially these: That the United States constantly tries to obstruct Japan from working out her national aim, which is nothing but the establishment of peace and order in the Far East; that the United States has been giving undue encouragements to China to take a defiant attitude against Japan - which are not true.

(5) Japan and the United States should repose full confidence in the sincerity of the peaceful mo-

tives of each other.

(6) Trade relations between the two countries are fortunately complementary, highly beneficial to both and should be promoted.

(7) Upon these premises, cannot a joint declaration be now made by the United States and Japanese Governments? - in some such sense: -

(a) Both Governments will coöperate with each other to promote trade to the mutual advantage of the two countries and to make secure the principle of equal opportunity of commerce in the Pacific Regions.

(b) Both Governments, having no aggressive designs whatever, reaffirm the pledges each to respect the territorial possessions and the rights and interests of the other, and restate their determination that the two countries should ever maintain a relationship of peace and amity.

(c) Both Governments mutually recognize that the United States in the eastern Pacific regions and Japan in the western Pacific regions are principal stabilizing factors and both Governments will exercise their best and constant efforts so far as lies within their proper and legitimate power to establish a reign of law and order in the regions geographically adjacent to their respective countries.

(8) If such a joint declaration can now be made, all war talk will immediately be silenced, the psychology of men will undergo a change and whatever question may arise between our two countries will become capable of an easy solution. China will begin to see that she can no longer rely upon her time-honored policy of setting one Power against another. Not only so, but peace of the Pacific Regions will thereby be lastingly established - a signal contribution to world peace.

DEPARTMENT OF STATE

THE SECRETARY

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CONFIDENTIAL

May 29, 1934.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AND THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

In accordance with the original personal request of Ambassador Saito that he and I confer individually, in strict confidence and not to be recorded, with regard to the relations between Japan and the United States, the Ambassador, upon my invitation, called at my apartments at the Carlton Hotel for a second personal conversation.

Ambassador Saito had at our first conference handed me a written memorandum, to which I referred in the account of our first conversation. The memorandum contained eight points or topics. The list of these eight topics, parallel with my replies and comment in substance just opposite each, were as follows:

SAITO

These are entirely my private thoughts:

(1) There are too much suspicion and fear between the United States and Japan at present and some governmental action to dispel such feelings on both sides is very desirable.

(2) The impending naval disarmament problem can most happily be approached after some such measure is taken.

(3) American suspicions as to Japan's motives are essentially these: That Japan has aggressive designs on the Asiatic Continent and that Japan may even be courting war with the United States -- which are not true.

HULL

Taking up the points made in your memorandum, in the order in which they are set forth, my thoughts are as follows:

(1) I share your view that there is too much suspicion and fear between the United States and Japan, and I believe that effort on the part of both governments toward dispelling such feelings is desirable.

(2) That the impending naval disarmament problem could more happily be approached if there were not such feelings is of course true.

(3) American suspicions with regard to Japan's motives arise from observation in this country of Japan's courses of action, and these suspicions are not peculiar to the United States: they coincide with those which also have developed elsewhere.

(4) Japanese suspicions as to American motives are essentially these: That the United States constantly tries to obstruct Japan from working out her national aim, which is nothing but the establishment of peace and order in the Far East; that the United States has been giving undue encouragements to China to take a defiant attitude against Japan -- which are not true.

(4) It is our belief that what is most needed toward removing and preventing suspicion and misunderstanding and fear between the United States (along with other countries) and Japan is the development of a coincidence of attitude and effort with regard to the problem of creating and maintaining conditions of peace. As you have stated, Japanese suspicions that the United States constantly tries to obstruct Japan and that the United States has been encouraging China to take a defiant attitude against Japan are not warranted by the facts. The American Government has been and is earnestly and sincerely working, as are many other governments, for the establishing and maintenance of conditions and machinery of peace in the whole world, including the Far East. Certain of the activities in which Japan has engaged have given the impression that Japan's national aim is to achieve the advancement of Japan's interests, as conceived by Japan, at the expense

of

of other countries, especially of neighboring Asiatic countries, and particularly of China. It is our belief that, if, in pursuit of a policy of establishing peace and order in the Far East, Japan would avoid giving ground either in fact or in appearance for the belief on the part of her Asiatic neighbors that Japan's objectives imperil their national security and on the part of the other powers that Japan violates or threatens to violate their rights and interests, all misunderstanding on that score and in that direction would disappear.

(5) Japan and the United States should repose full confidence in the sincerity of the peaceful motives of each other.

(5) Confidence is a state of mind which rests upon impressions. Sincerity is a matter of the heart. The people of any country form their impressions of the motives of another country from their observation of acts and of words. For the production of an impression of sincerity, acts and words must be in harmony. Japan and the United

United States can best convince each other that their motives are peaceful by making both their words and their courses of action those of peace.

(6) Trade relations between the two countries are fortunately complementary, highly beneficial to both and should be promoted.

(6) Trade relations between Japan and the United States are fortunately in most fields complementary; they are beneficial to both countries; and they should be promoted in every legitimate way -- but with due regard always for the rights and interests of other countries and without interference by either country with the trade of the other with other countries.

(7) Upon these premises, cannot a joint declaration be now made by the United States and Japanese Governments? - in some such sense: -

(a) Both Governments will cooperate with each other to promote trade to the mutual advantage of the two countries and to make secure the principle of equal opportunity of commerce in the Pacific Regions.

(7) I am inclined to question, in principle, the value of bilateral declarations of policy. The many countries which make up the family of nations have in recent years been drawn so closely together that each is essentially the neighbor of all. Every country of importance has substantial relations not with one other country alone but with several or many other countries.

(b)

(b) Both Governments, having no aggressive designs whatever, reaffirm the pledges each to respect the territorial possessions and the rights and interests of the other, and restate their determination that the two countries should ever maintain a relationship of peace and amity.

(c) Both Governments mutually recognize that the United States in the eastern Pacific regions and Japan in the western Pacific regions are principal stabilizing factors and both Governments will exercise their best and constant efforts so far as lies within their proper and legitimate power to establish a reign of law and order in the regions geographically adjacent to their respective countries.

countries. It is desirable that every country have friendly relations with all countries with which it has contacts. The rights and obligations of the states members of the family of nations beyond their own borders are tending to become general. The conclusion between any two countries of a special agreement on political lines has a tendency to create in fact or in appearance a special situation meaning or implying that the relations between the two are closer than are those between each of them and other countries; it tends to constitute them a special group and to signify that there exists between them a special community of interests and objectives peculiar to them and not shared by, assented to, or open to others. The American people have always been adversely disposed toward the theory and the practice of political alliances. This country has entered upon and is party to a considerable number of multilateral agreements with regard to policies, and

and it probably will enter into more of such agreements in the future. But, in the making of bilateral agreements, it has restricted itself for the most part to the conclusion of agreements for the general or particular regulation of relations between itself and, in each case, the other country party thereto. For the regulation of relations between Japan and the United States, there are in effect today a number of agreements, among which are the exchange of notes (Root-Takahira) of November 30, 1908, and the Treaty of Commerce and Navigation of February 21, 1911. Recently the Minister for Foreign Affairs of Japan addressed to me, under date February 21, 1934, a letter in the course of which he outlined at length and greatly to my gratification various important features of Japan's foreign policy. In reply, I addressed to the Minister for Foreign Affairs, under date March 3, 1934,

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a letter in the course of which I outlined similar important features of the foreign policy of the United States. In the course of that exchange, each of us declared emphatically and unequivocally that his country had no aggressive designs against any other country. It seems to me that in the texts of these various documents there is to be found as full and complete affirmation as could be made in any or in many joint declarations, by each of our Governments, of commitment to the principle of amity and friendship and peace in the relations of our countries to each other and to all countries. I said: "I am glad to take this opportunity to state categorically that the United States on its part has no desire to create any issues and no intention to initiate any conflict in its relations with other countries." I meant just that. I do not believe that I could express more unequivocally

unequivocally the fact that this country has no thought of aggression against Japan or against any other country.

Neither the Government nor the people of the United States have conceived that it is a right or a duty or an intention of the United States to establish a reign of law and order in regions geographically adjacent to this country. We would not wish to make assertion of that right or to entertain such an objective now or in the future. It would be impossible for me to give encouragement to Japan toward the assertion by it of such a right or the prosecution by it of such an intention in regions geographically adjacent to it. The tendency among nations today is, it seems to us, away from rather than toward such concepts and practices. The tendency today is toward the concept that the problem of promoting conditions of law and order, while conserving the fundamental rights of all nations, and the problem of bringing about and maintaining peace anywhere and

everywhere

(8) If such a joint declaration can now be made, all war talk will immediately be silenced, the psychology of men will undergo a change and whatever question may arise between our two countries will become capable of an easy solution. China will begin to see that she can no longer rely upon her time-honored policy of setting one Power against another. Not only so, but peace of the Pacific Regions will thereby be lastingly established - a signal contribution to world peace.

everywhere are problems of common interest and concern to all nations.

(8) I cannot believe that the making of such a joint declaration, if it were possible, would, when it had been made, have the effects which you suggest. Such declarations have been made before, both between our two Governments and between others. They have not had consequences such as you predict for such a declaration if made now. To put an end to talk of war, countries must demonstrate that they abhor use of force and will resort to it only if attacked. The United States has at no time aligned itself with China against Japan; I perceive no reason why it should align itself with Japan against China. The peace of the Pacific will be assured when all countries there concerned make it their fixed policy to abide in their relations with each other by the professions of article II of the Pact of Paris. If Japan and the United States each wish to avoid conflict and to have peace,

peace, there is no need for a joint declaration of policy by the two Governments. If either of them entertains any other motives, the making of such a joint declaration by them would have only a misleading and ephemeral effect in connection with the problems which exist or which may arise between them.

The American Government will continue to give, as it has given in the past, earnest thought to ways and means calculated to dispel suspicion by the Japanese people of American motives and action in the Far East. That full measure of mutual respect and confidence which it is the endeavor of the people and Government of the United States to make prevail in their relations with other peoples and governments must, in our opinion, rest upon approximate similarity of objective and of method. We sincerely hope, therefore, that it may be possible for the Japanese Government to join with us and with the other great

powers

powers in cooperative effort to ensure peaceful approach to and peaceful disposal of the many problems which are inherent in the complexity of and delicacy of international relations under prevailing modern conditions.

(SEE NEXT PAGE)

It is our belief that it is to the best interest of Japan and of the United States and of all concerned that Japan be an active participant in the councils and the efforts of the nations in dealing with problems of world concern, and that, as such, Japan place confidence in and enjoy the confidence of the other nations. We shall make it our effort to encourage adoption by the Japanese people of that view and adoption of it by any others who may be in doubt or may hold a contrary view. Japan has in recent years acquired, whether deservedly or not, a reputation for truculence and trouble making. There was before 1931 in many quarters suspicion of Japan. Events in Manchuria, Japan's withdrawal from the League of Nations and statements made on and after April 17 of this year by various Japanese officials, along with statements which are frequently made by other Japanese leaders and in the Japanese press, have tended to give the impression that the suspicions were warranted. It is "up to" Japan to live down and remove these impressions. We are willing to be of assistance. But this effort will take time and it cannot be made successful merely by use of words. One thing that might help a great deal would be avoidance of use of words in various connections where words do more harm than good: I refer especially to what may be called arguing in public back and forth across the Pacific.

I am giving constant thought to discovery and devising of ways and means whereby Japan and the United States can be of help to each other without sacrifice by either of its own interests and with advantage to both.

At the conclusion of the foregoing conversations, the Ambassador expressed some disappointment that the United States Government did not feel justified in indicating that its policy would be such that Japan would not be attacked or seriously threatened in a military way in the Orient, so that he and others of his government could quiet public sentiment by assuring them of such policy. I reiterated in reply a second or third time that my government felt constrained to rest its attitude absolutely on the statement which I transmitted to Foreign Minister Hirota on or about April 28, 1934, which statement succinctly and comprehensively defined the rights, interests, and obligations of the United States in the Orient. I also emphasized the view that both countries must proceed by acts rather than words to satisfy the other of its real attitude; that the exchange of personal notes between Hirota and myself some weeks ago afforded the broadest and deepest possible foundation on which to build better understanding and the closest friendly relations; and that so many treaties in different parts of the world were being violated or ignored that it was all the

more

more important and necessary for nations to act rather than talk if they were to improve relationships. I further emphasized and re-emphasized the view that not only my country but most countries were in doubt as to what would become of their equality of trade rights in the Orient in future years if the avowed purpose of Japan for dominant overlordship of Eastern Asia, in the sense that Japan insists on superior and paramount authority, should be brought about and acquiesced in by the balance of the world at this time; that this grave doubt was accentuated by the fact that, while proclaiming the doctrine of the law of manifest destiny and the right of superior authority in Eastern Asia, there was in almost the same breath a loud demand for a big Japanese navy on a parity with that of England and the United States; and that these considerations would render it extremely difficult to convince the people in any country outside of the Orient that their governments should acquiesce in the proposals claimed by many Japanese leaders for such superior authority in Eastern Asia as might probably soon develop into still wider authority in other respects than the maintenance

of

of peace and order, and with the result that equality of trade rights in the Orient of the balance of the world might be seriously interfered with. I said that that point was very definitely in the minds of my country and my government in addition to its interest in peace conditions in every part of the world. I called the Ambassador's attention to the work for peace that my government was striving in a purely inoffensive way to perform both at Geneva and in the South American Chaco for the reason that all civilized nations, whether they realized it fully or not, were seriously interested in the important phases of peace the world over.

C.H.

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(Reference is made to the Embassy's strictly Confidential Instruction of July 10, 1934.)

Pauley file - Japan (3) (2)

~~STRICTLY CONFIDENTIAL~~

THE STRATEGICAL VALUE OF JAPAN'S NEW MERCHANT FLEET.

From Vice Consul Robert Mills McClintock.

Kobe, Japan. Date of Completion: August 14, 1934.
Date of Mailing: August 15, 1934.

894.858/1

Approved: Howard Donovan,
American Consul.

Since October, 1932 there have been laid down in Japanese dockyards thirty-one of the fastest merchant vessels in the world. Twenty seven huge motor freighters have either been ordered or built for the trade to New York alone which are the fastest cargo ships on any ocean. These Japanese vessels operate to the Pacific Coast at a speed greater than that of any transpacific liners under the American flag save only four. Japan has fifty-four merchant vessels in the Pacific trade which are capable of speeds of eighteen knots or over. The United States has twenty-five such ships. There is no freighter in the American register which can even approximate the speed of these Japanese cargo vessels. There is no unit of fleet train in the United States Navy which they could not leave far astern. While American Navy tankers lumber along at from 12 to 14 knots and American naval supply ships have a maximum speed of 12 knots, the Japanese Navy has at its disposal potential tankers and supply vessels of 18 knots. In a Pacific conflict involving two large fleets, both remote from bases, the possession of fleet train capable of keeping up with the combatant units might mark the difference between victory and defeat.

While this paper is concerned with the military and naval implications of the new Japanese merchant fleet, it must be recognized at the beginning that the primary impetus for the subsidized construction program which resulted in these new ships was more commercial than strategical. Japanese shipyards were at a low ebb

of activity in 1932 when the Ship Improvement Law was passed and the merchant marine was burdened with an incubus of obsolete tonnage. Furthermore, the Osaka Shosen Kaisha had just shown the way to a new and lucrative trade by laying down huge 18 knot freighters for the silk trade to New York, which formerly had gone by rail across the United States. The other Japanese lines in the New York trade were quick to follow suit. The Ship Improvement Law, therefore, was the outcome of combined pressure from the dockyards, the steamship operators and the Navy, which saw in the building of the new fleet the significant possibilities of such potential units of fleet train.

The Ship Improvement Law which went into effect in October of 1932 provided for the subsidized construction of 200,000 gross tons of freighters in return for the scrapping by owners of 400,000 gross tons of vessels more than twenty-five years old. The subsidy paid by the Imperial Government was ¥54 per gross ton for vessels of 18 knots and over, ranging down to ¥48. Although not so provided in the law, the propelling units of all the ships laid down under its terms were diesel motors, with the exception of one vessel fitted with geared turbines.

Although the Ship Improvement Law of 1932 contemplated a two year program terminating in 1935, there was such a rush of applicants for subsidy that the project was brought to completion within eighteen months. The results of the law may be summarized as follows:

Line

Line	No. of Ships	Unit Tonnage Gross	Global Tonnage Gross	Total Subsidy Yen	Speed Knots
Nippon Yusen Kaisha	6	7,300	43,800	2,365,000	18
Mitsui Bussan Kaisha	6	6,233	37,400	1,978,000	18 1/2
Toyo Kisen Kaisha	4	7,300	29,200	1,460,000	16
Osaka Shosen Kaisha	3	4,400	13,200	660,000	16
Kokusai Kisen Kaisha	3	6,966	20,900	1,128,600	18 1/2
Iino Shoji Kaisha	2	9,937	19,875	1,073,000	18
Kinkai Yusen Kaisha	2	4,400	8,800	440,000	16
Takachiho Kisen Kaisha(O.S.K.)	1	6,800	6,800	340,000	18
Shimatani Kisen Kaisha	1	4,600	4,600	220,000	15
Azuma Kisen Kaisha	1	4,185	4,185	209,250	16
Shinko Kisen Kaisha	1	6,400	6,400	320,000	16
Yamamoto Kisen Kaisha	1	4,150	4,150	207,500	16
TOTAL:	31		199,310	¥10,401,350	

All of the vessels built as indicated above were motor cargo ships with the solitary exception of the Takachiho Maru, constructed ostensibly for the "Takachiho Kisen Kaisha" which was in reality Osaka Shosen Kaisha. This vessel, although receiving a subsidy of ¥50 which called for 16 knots, is capable of 18 knots on geared turbines and is engaged in the express service to Formosa. Two takers were included in the subsidized construction program -- those built for the Iino Shoji Kaisha. This firm has relations of peculiar intimacy with the Japanese Navy and its home office is at Maizuru, the principal naval base on the Sea of Japan. The writer would regard these two phenomenally swift tank ships as having been built at the direct instance of the Imperial Navy.

The

The six express freighters for Nippon Yusen Kaisha and the Mitsui Bussan fleet of equal speed will be allocated to the Atlantic Coast trade, carrying silk out and cotton home. The three 18 1/2 knot Kokusai ships will join the present fleet of four 18 knot freighters in the same run. The four Toyo Kisen boats will be operated by Yamashita Kisen Kaisha of Kobe in the transpacific trade. The vessels built for Osaka Shosen Kaisha and Kinkai Yusen Kaisha, a subsidiary of N.Y.K., will be devoted to the near-seas service. The other vessels listed are for general trading.

Mention must be made of the New York express fleet composed of eight large motor freighters which Osaka Shosen Kaisha brought out between 1930 and 1933. All are of approximately 8,500 gross tons, powered by M-A-N, Sulzer and Burmeister and Wain diesels and capable of a sea speed of 18 1/2 knots. These vessels maintain a fortnightly service to New York of a 28 day passage, although they have made and can make the trip in 25 days. Kinai Maru of this remarkable fleet established a record in 1930 between Yokohama and Los Angeles of 11 days, 6 1/2 hours, which is faster than the transpacific time of any American mail liner under subsidy from the United States Government. The eight O.S.K.'s would provide army transports or navy supply vessels unrivalled on any ocean.

One other fleet of swift diesel-driven ships which operates transpacific is that of the new Kobe shipping firm, Daido Kaiun Kaisha. Its five vessels were not built under subsidy, nor do they earn a service subsidy

from

from the Ministry of Communications, but they are recently built and are capable of a sea speed of 16 knots.

It should be pointed out that the gross tonnages indicated above underestimate the actual carrying capacity of the ships. These vessels are powered by motors and many are of the shelter deck type, with the result that the gross tonnage is lower in proportion to the actual deadweight carrying capacity than might otherwise be imagined. For example, the newest Kokusai freighter, Kiyozumi Maru, has a gross tonnage of nearly 7,000, but her deadweight capacity is 10,000, as calculated by Lloyd's Agent at Kobe. Like her sisters, Kiyozumi Maru is capable of 18.75 knots.

Such is the new fleet of Pacific merchantmen evoked by the construction bounty policy of the Japanese Government. The ships are astounding because of their combination of size and speed. One other astounding thing is that so little inducement resulted in such phenomenal results. The subsidy of ¥54 per gross ton for a vessel of 18 knots amounts to only 12.6% of the cost per gross ton. It is an actual fact that Kokusai Kisen Kaisha was quoted lower figures by British yards than Japanese yards could offer. It was only the policy of the Government to prohibit the importation of foreign-built ships, plus this very modest bounty of ¥54 per ton which made the differential favorable to Japanese yards. The American Jones-White Act provided our own ship owners with 75% of the cost of construction in the form of loans at the lowest rate of interest ever offered by

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the Government. The Japanese law gave but 12.6% of the cost of these new ships.

It is the opinion of the writer that the primary reason for the construction of this great new fleet was the desire of the Japanese steamship companies to take over the trade between East Asia and the Atlantic Coast of the United States. Nippon Yusen Kaisha, Osaka Shosen Kaisha, Kokusai Kisen Kaisha, Kawasaki Kisen Kaisha and Mitsui Bussan Kaisha have divided the American silk trade between them. They have encroached vastly upon the trade between America and the Philippine Islands. Within a year there will be twenty-seven Japanese motor freighters in the trade through the Panama Canal, each carrying up to 10,000 deadweight tons at a speed never before approached by cargo ships. All are able to do between 18 and 19 knots. There are but two American vessels in service to the Orient which could even keep up with these ships. There are no other freighters in the world as fast.

The fact therefore emerges that, conceded the point that the principal reason for such a fleet was commercial, these ships have remarkable strategical value. It was perhaps only a coincidence that the subsidized construction program was to have been completed in 1935, when the so-called "Crisis of 1935" was to be expected. It is perhaps another coincidence that the continuation of this program, calling for the building of 500,000 gross tons of new ships over a five year period, is scheduled to start in 1936, when there will supposedly occur the "Crisis of 1936". It is no

coincidence at all that the Japanese Navy has been indefatigable in urging the adoption of these construction programs and that the Japanese Army has strongly seconded its demand.

The Japanese Navy has felt the need of faster units of fleet train. Most of the Japanese tankers of the Notoro* and Shiretoko class can not do better than 12 knots. Only one Japanese Navy tanker can make 15 knots -- the Kamoi of 19,550 displacement tons. The Navy's two colliers have a speed of 12 1/2 knots; its destroyer tenders can make between 13 and 16 knots. In other words, faced with the possibility of extensive fleet action remote from bases, the Japanese Navy found that its fuel and supply ships could not keep up with the fleet. An identical situation, incidentally, faces the American Navy. The difference is that the Japanese Navy now has available cargo ships of large tank capacity which can keep up with the fleet. The American Navy has tankers of the Rapidan class that can not move more swiftly than 10 1/2 knots and tankers of the Brazos class that can scarcely better 14 knots. Most of our supply ships make 11 knots. The American freighters in the transpacific trade, many of them receiving fat subsidies, could not do better than 15 knots on a flat sea with a following wind.

The naval and military value of the new Japanese motor freighters will be made more evident upon examining their specifications. The twenty-seven express ships in the New York service of Osaka Shosen Kaisha, Nippon Yusen

*Notoro is now an aircraft tender.

Yusen Kaisha, Mitsui Bussan Kaisha and Kokusai Kisen Kaisha, some of which are still building, are so nearly alike in dimensions and power that it is possible to quote approximate statistics on a fleet type. It must be borne in mind, however, that the eight O.S.K. ships are from 1,000 to 2,000 gross tons larger than the other vessels under reference. The following figures describe, therefore, the general type to which all twenty-seven ships conform.

Average gross tonnage.....	7,300
Average deadweight tonnage.....	10,000
Average length.....	450 feet
Average beam.....	60 feet
Average depth.....	39 feet
Average draft.....	28 feet
Average bale capacity.....	14,500 tons
Average deep tank capacity.....	1,000 tons

Propulsion units: 2-cycle, airless injection M-A-N's; 4-cycle Burmeister and Wains; 2 and 4-cycle Sulzers, all of around 6,500 to 7,000 i.h.p.

Speed..... 18-19 knots
Cruising radius (est.).... 15,000 nautical miles at 16 knots.

In profile these ships would for the most part appear as shelter deck vessels with raised forcastles and an unbroken sheer to the stern, except for a central house which consists of two decks surmounted by bridge and funnel. Cruiser and counter sterns appear to be about equal in number. There are a few three islander types in the fleet, notably the new M.B.K. boats.

It does not require a professional eye to discern from the above figures why such vessels are of value to the Japanese Army and Navy. The combination of great cargo capacity and large fuel and deep tanks with wide cruising radius and, above all, astounding speed, make

these craft without peer for military and naval supply ships, transports or emergency tankers. Perhaps even more important would be the value of these ships in transporting food, fuel and munitions at express speed to a beleaguered country at war. These ships are as much a "life line" to an island Empire as certain of the continental "life lines" more generally associated with that term.

There is, however, one grave strategical defect which has been permanently built into these vessels. The greatest mineral resource of Japan is coal. The one fuel upon which Japan might rely during a period of extensive blockade is coal. Fast steamers can be transformed from oil burners to coal burners in a week, but a motor ship remains a motorship and can burn but one kind of fuel -- oil.

There are beyond doubt immense supplies of oil in reserve for the account of the Japanese Navy. The recently passed Oil Control Act further increases the potential supply by its requirement that importers and refiners of petroleum must keep constantly in storage oil to the amount of half their annual importation. In other words, in the event of a blockade Japan would have a six months' supply of petroleum on hand before even touching its emergency reserve. These facts mitigate but do not remove a weakness which, in the writer's opinion, might easily be made fatal by the successful previous location and later destruction of oil reserves by aerial attack. Oil is stored in tanks or subterranean reservoirs and either is vulnerable to bombing.

The great defect of these extraordinarily swift ships is that they can not utilize the natural fuel of Japan. Proper strategy would indicate that the line for Japan to follow would be in the perfection of superheated steam giving impulse to geared turbines and motivated by pulverized or colloidal coal. Two fine Japanese liners are fitted for pulverized coal and utilize exhaust turbines, but no notice was evidently taken of Nagoya Maru and Johore Maru, for the Japanese yards have gone over practically entirely to the building of diesel motors. Irrespective of the question of efficiency of motor propulsion, the strategical weakness remains and should be remembered.

Another but far less important drawback to the strategical value of these new vessels is that most of them are to be placed in the trade to the Atlantic Coast of the United States. A sudden emergency in a certain quarter would cut off half these vessels on the eastern side of the Panama Canal. There is consequently provided a highly interesting barometer as to conditions leading to peace or war in Japan. Certainly the Japanese General Staffs will not wish to lose a dozen valuable units of train if it can be avoided. Therefore, should there become evident a diminution of sailings of these new ships to the Atlantic Coast and a concentration in the Pacific it might be possible to see beyond the effect to the cause.

Despite such objections, however, and despite the fact that the Japanese deep sea services are if anything over-tonnaged and the coastwise services greatly in need

of new bottoms, the subsidized construction program of 1932 will not only be continued but greatly expanded.

Sponsored by the Saito Cabinet and vigorously urged by the dockyards, the shipping companies and the Navy, a plan was evolved for the laying down of 500,000 gross tons of new ships over a period of five years in return for the scrapping of an equivalent amount of obsolete ships. The Okada Cabinet took over the project from the preceding government in its entirety, although as approved by the joint commission representing the Government, the ship builders, the steamship operators and the Navy the plan calls for a reduction in the bounty to ¥48 per gross ton. It appears at this date that the approval of the Diet to the draft bill is an almost foregone conclusion. One significant change in the proposed new program is that it will provide for the construction of passenger liners as well as cargo ships. It is understood that the Navy is particularly interested in the building of fast liners which might be converted into merchant cruisers in the same manner as the American liners built under the Jones-White Act can be converted. If the five year building program is made effective by the Diet it will cost the Government ¥4,800,000 a year from fiscal 1935-36 for the succeeding five years, or a total of ¥24,000,000. 100,000 gross tons of new ships will be laid down each year.

Whereas the first construction program of 200,000 tons was of a commercial character, this second program is seemingly dictated by considerations of strategy. Most of the deep water trades operated by Japanese lines

are served with tonnage laid down since the War. There is no crying need for new bottoms in the foreign trade. Nippon Yusen Kaisha will doubtless want several new liners for the European and Australian runs, but otherwise there is no particular place for new liner tonnage. It is certain that the Navy is not interested in the building of little coasting boats, although the Army would probably be pleased to see the construction of small ships suitable for operations across the Sea of Japan. The only remaining conclusion, therefore, is that the second and greater construction program will be more for military than for economic ends. It would be an interesting speculation to wonder if the Japanese Government is encouraging the building of merchant ships as replacements for existing vessels which might presently be lost other than by shipwreck and storm.

Should Japan carry out the second construction program under the same terms as the first it would have more than seventy new merchant vessels of 7,000 gross tons and of the same excessive speed. As has been pointed out, there are already built or building fifty-four commercial ships under the Japanese flag on the Pacific which can make 18 knots or over. In the event of conflict it is not difficult to perceive the uses to which this great fleet would be put. The three great Nippon Yusen Kaisha liners of 17,000 gross tons, with a reputed speed of 21 knots (the writer would not credit them with anything over 19) would serve as express transports or merchant cruisers. The three 11,600

gross

gross ton N.Y.K. liners in the North Pacific service would be used for cruiser or transport work, as would the swift O.S.K. Dairen liners, Ussuri Maru and Ural Maru. The China Sea liners Shanghai Maru and Nagasaki Maru, the fastest ships in the merchant marine, would be used for convoy duty as converted cruisers. Such vessels as the old ex-Italian liners Yamate Maru and Asahi Maru, as well as the former German liner Taiyo Maru and the N.Y.K. South American motorship Heiyo Maru would be devoted to transport service. The thirty-one express ships built under the subsidized construction program, as well as the eight 18 1/2 knot O.S.K. New York ships and the new fleet of Daido Kaiun would be allocated to purposes of fleet train and to the carrying of war supplies from abroad at maximum speed.

On the American side of the Pacific the picture is not so encouraging. While the Japanese Government subsidizes the construction of 19 knot motor ships, the American Government subsidizes three antique banana boats, built almost a generation ago and incapable of a speed in excess of 14 knots. While the Japanese merchant marine is implemented with freighters which can beat our passenger liners, the United States subsidizes cargo boats in the Oriental trade which could not better 15 knots even if towed. While the Dollar Line receives a subsidy of $4,733,232 a year it finds it impossible to replace a fleet which is steadily deteriorating. In the event of conflict the only ships upon which the American Navy could rely would

be

be the eight 535's of the Dollar Line, still able to turn out from 17 to 18 knots, the Hoover and Coolidge, which have made 22 knots, the three magnificent Oceanic liners, Monterey, Mariposa and Lurline, all of 22 knots, the Matson liner Malolo of 21 knots, the old and uneconomical H.F. Alexander of 21 knots, the three Panama Pacific liners of 20 knots, the four new Grace Santas of 17 knots and the three new United Fruit liners on the West Coast run, which could do 18 in a pinch. We have no fast cargo ships per se. We have no fast tankers. We have in the Navy itself no fast fleet train.

In summary, therefore, it will be perceived that in response to the demand for dockyards, shipping companies and the Imperial Navy the Japanese Government subsidized the construction of 200,000 gross tons of extraordinarily fast motor cargo liners. It appears probable that the program will be extended to the building of 500,000 additional gross tons in the next five years. With twenty-seven motor cargo ships built or building which can make from 18 to 19 knots and with a total of fifty-four ships on the Pacific capable of 18 knots or over, it has been seen that the Japanese Navy has been provided with unequalled potential fleet train. The new ships might instantly be used as supply vessels or tankers for a fleet, as transports for the Army or as a vital line of communications, an essential artery, bringing to Japan munitions, oil and supplies.

In the forthcoming negotiations between the great naval powers the strategical value of the new merchant fleet of Japan should not be forgotten.

888 (834.1)

RLMcC

Original to Embassy.
Copy to Commercial Office,
Department of State.
Copy to Consulate General, Tokyo.

REP

This telegram must be closely paraphrased before being communicated to anyone. (A)

TOKYO

Dated September 25, 1934

Rec'd 12:10 p. m.

Secretary of State,

Washington.

SECRETARY OF STATE
SEP 27 1934
NOTED

214, September 25, 7 p. m.

One. The Minister for Foreign Affairs told me today, elaborating upon his recent conversation with the Ambassador which was reported in the Embassy's telegram 204, September 18, noon, that his feeling was that the Washington Treaty of 1922 should be allowed to expire in 1936 and that the Japanese hoped an understanding could be brought about which would prevent an armament race as Japan had no intention whatever of building a navy equal to that of Great Britain or the United States.

Two. He hoped that some limitation could be placed upon the size of future vessels, perhaps by replacing those capital ships authorized by the 1922 treaty as they became obsolete by smaller ships or in some other way, and that if possible an understanding might be reached that the total tonnage existing on January 1, 1937, be not increased by any power. If such an understanding could be reached he hoped that it would then be possible

gradually

REP

gradually to reduce naval armament to a purely defensive point; that is, that no nation should maintain a greater strength than that actually sufficient to prevent successful attacks upon the sea coast.

Three. I shall continue to pay close attention to and report by telegraph such further remarks as the Minister for Foreign Affairs may make on this subject.

NEVILLE

CSB

WSB

DEPARTMENT OF STATE

DIVISION OF WESTERN EUROPEAN AFFAIRS

WE

September 26, 1934.

Meeting Held in the Office of the Secretary of State

Present:

State Department	Navy Department
The Secretary of State	Assistant Secretary Roosevelt
The Under Secretary	Chief of Naval Operations
Mr. Dunn	Admiral Greenslade
Mr. Hornbeck	Commander Schuetzman
Mr. Moffat	Commander Train.

The Secretary of State said that he had suggested this meeting in view of the imminence of the preliminary naval discussions with Great Britain and Japan to be held in London approximately October 20. He read aloud some of our recent telegrams from the Embassy in Japan.

Admiral Standley said that despite a considerable amount of chauvinistic talk from Japan and despite certain concrete indications to the contrary, he still believed that the Japanese were in favor of some type of limitation and in particular would not lightly scrap the Washington Treaty, at least until they saw what were the possibilities of substituting some other principle of naval limitation.

For instance, one of the proposals they were mentioning had to do with the substitution of a system

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of global limitation for a system of limitation by categories. We had always believed that limitation by category offered the fairest basis of limitation and further drew so clearly defined a picture of naval strength as to prevent misunderstandings. Hence, it was a constructive approach to the problem. On the other hand, from the point of view of our vital interests, there was no reason why we could not as a last measure, and in order to preserve the principle of naval limitation, accept the principle of global tonnage. Admiral Greenslade pointed out that in the General Board's studies, they had excepted from this principle capital ships, and implied that we meant a limited form of global tonnage rather than the idea in its entirety.

The second point on which the Japanese laid great importance was the question of reduction in size of naval vessels. Here it would be difficult to go along with them, particularly to the lengths that they desire. The Admiral said that the Navy had been going on during this summer and making further studies in the matter of a possible reduction in tonnage for capital ships, but found that they could not very well embody all the characteristics they desired even for a 14-inch gun ship under the figure of 35,000 tons. To be sure Mr. Davis

had

had indicated that we might possibly be prepared to agree to a reduction to 32,000 but anything in the nature of 25,000 ton ships or even 30,000 ton ships, such as the Japanese were discussing was out of the question. On the other hand, we would be prepared definitely to agree to a reduction of calibre on capital ships from 16 to 14 inches.

The third point on which the Japanese were concentrating was in making the distinction between offensive ships and defensive ships, particularly with relation to the defense of seacoasts. Admiral Standley pointed out that with such a criterion not only seacoasts belonging to the metropolitan area, but also seacoasts of colonies and possessions had to be included. For instance, United States strategy was based on the premise of protecting the Panama Canal and the Aleutian chain of islands stretching southwest from Alaska. For practical purposes, both these territories were distant possessions. Incidentally, with this situation it was more than ever essential for us to have a strong backbone in capital ships.

Mr. Phillips inquired whether our policy of giving independence to the Philippines would affect our naval needs. Admiral Standley replied that he thought that our Philippine policy had greater effects diplomatically

than

than strategically. Diplomatically, it was causing Powers in the Far East to realign their policies and re-examine their situations. Strategically, however, he felt that the force of our fleet would not be affected. In the last analysis, the strength of our fleet depended upon our policy in the Orient. If we desire to give adequate support to the policies which we have been following in the past, such as the Open Door, the 9-Power Treaty, the Kellogg Pact, et cetera, then we must possess adequate naval force. If we were going to back down, throw over the rights of trade, et cetera, then we might as well do so now when we were not challenged than at some later date when we might be challenged.

The concensus of opinion was that we could in no sense give up such policies and that a definite indication that we had abandoned any intention of using force for their maintenance would be viewed by all Oriental countries as the removal of an obstacle to further aggression in the Far East on the part of those so disposed. It was further the concensus that Japan's policy was definitely to continue its aims at dominating Eastern Asia. In these plans she is being held up at present by the United States and similarly by Great Britain. It was not felt, however, that she would give up her long term ambitions and would seek every occasion to

press

press them further.

The next question to arise was what to do at London. It became clear that there were a number of possible contingencies, any one of which we must be prepared to face. The British might stand firm with us in rejecting Japanese demands; on the other hand, they might either play ball with Japan or adopt a position of sitting on the sidelines and allowing us to meet and reject the Japanese demands singlehanded.

Mr. Phillips pointed out that there were indications of some form of diplomatic maneuvering going on between the British, the Japanese and the Dutch looking toward a policy of validating Japan's aggression in Manchuria in return for an undertaking not to advance further in the Southern Pacific. Mr. Hornbeck pointed out that one possible purpose of such a policy would be to embroil or at least occupy Japan with Russia, but that if this did not work out and Japan emerged stronger than ever, then the threat to Southern Pacific waters would be actually increased.

The conversation then reviewed briefly our preliminary naval talks with the British this summer. Admiral Standley pointed out that we had not endeavored to solve all our technical differences and had kept

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the conversations on a general plane. Secretary Roosevelt said that the President's instructions were clear that we could not agree to any form of naval treaty which did not involve an actual reduction in armaments, and all British proposals implied a material increase. The naval officers present indicated that they felt there was at least a reasonable chance that we might be able to find ways and means of coming to an understanding with the British without its involving an increase in tonnage.

The Secretary of State asked whether we regarded the ratios as the essential principle of any naval limitation agreement. Admiral Standley said that we could not accept limiting our building so that Japan could catch up to us; whether one called it ratio or not, there was a relative strength in fleets which must not be disturbed. The utmost that we could do would be to make it difficult for the average man to compute but the present difference of strength between our fleet and the Japanese fleet must be maintained at all costs. In the first place, without it, we could exercise no strength in the Far East; in the second place, we had paid for it by giving an undertaking not to fortify our possessions in the Western Pacific.

At all costs we must avoid at the next conference having the onus placed upon us for obstructing further progress. Mr. Moffat read a paragraph from a personal letter from Mr. Norman Davis indicating a possible course of approach to avoid this danger:

> "I am enclosing for your information a special dispatch which appeared in today's New York Evening Sun. Evidently the Japanese are beginning to wake up to the fact that if they denounce the Washington Treaty they will have nothing to take its place and that the Government might ultimately find itself in a very precarious position. I am inclined to feel that our policy should be merely to state, in effect, that we think it would be most unfortunate to lose the ground that had been gained through the existing Naval Treaties and that, although we think it would be a serious mistake to abandon these Treaties, we have less to lose by the abolition of the treaties because we gave more to get them. Nevertheless, we would not wish to in any way influence any Power to renew a Treaty unless it felt it was in its interests to do so.

At the close of the meeting, it was understood that both State and Navy Departments would continue their studies and would meet again when Mr. Norman Davis reached Washington, probably on Friday.

PM

Pierrepont Moffat.

WE:PM:VAS

SYNOPSIS OF POSSIBLE CONTINGENCIES AT
FORTHCOMING DISCUSSIONS IN LONDON

A. Organization of conversations.

(1) Method of bilateral conversations may be continued in the form of three-cornered talks between

(a) Americans and British;

(b) Japanese and British;

(c) Americans and Japanese.

(2) Discussions may be made trilateral.

(a) Immediately and throughout;

(b) After completion of bilateral talks

(c) At the outset, but later to be broken down into bilateral conversations.

(3) Discussions may be expanded to include France and/or Italy.

(4) Both bilateral and trilateral meetings, or only the latter, may be made formal and attended by a certain amount of publicity.

(5) They may be informal and attended by as little publicity as possible.

Comment: The method of bilateral conversations involves the danger of one party being played off against the other and of one attempting to interpret the views of the second vis-à-vis the third. If two of the three parties were agreed on essential questions, this would not be a serious problem. The existence of important differences among all three, however, points to the desirability of trilateral conversations at least

least as the main organizational method. Informal bilateral talks will, in any case, develop as the evolution of the situation may require.

With respect to publicity, a careful coordination among the three delegations seems desirable in view of experiences during the two-power conversations. Complete secrecy will be impossible. Statements to the press at fairly frequent intervals will be almost unavoidable if the press is to be kept from fruitless and often harmful speculation and from attempts to dig up sensational news.

The inclusion of France and Italy in the conversations seems highly undesirable since it would, at least, complicate an already very difficult situation.

B. Substance of conversations.

I. General.

(1) It may be mutually agreed to begin with purely procedural questions (time, place).

(2) It may be mutually agreed to enter at once upon the basic naval issues and to deal with procedural questions later.

(3) The question of inclusion or exclusion of political questions (Manchuria) may come up.

(4) It may be decided to deal with basic principles first and to postpone detailed technical questions.

(5) It may, on the contrary, be found advisable to begin with technical questions, at least in the more formal meetings, and to postpone the discussion of principles, or at least deal with them more informally in personal conversations.

II. Japan.

(1) With respect to denunciation of the Washington Treaty, Japan may

(a) Publicly denounce the treaty at the outset of the conversations;

(b) Publicly denounce the treaty during the conversations;

(c) Postpone denunciation until a later date;

(d) Confidentially state her intentions as to denunciation either to one or the other of the parties alone, or to both parties severally, or to both simultaneously;

(e) Refrain from discussing denunciation pending developments during the conversations;

(f) State the conditions under which she might be willing to delay denunciation;

(g) State the conditions under which she might be willing to abandon denunciation;

(h) Seek to obtain American or British cooperation in bilateral denunciation at once or at a date to be determined;

(i) Seek an agreement for trilateral denunciation, either immediately or at a date to be determined;

(j)

(j) Seek to obtain denunciation on the part of France or Italy.

(2) With respect to Japan's basic demands, she may

(a) Frankly set her minimum claims before the other parties on her own initiative;

(b) Advance a maximum program for the purposes of bluff and/or bargaining.

(c) Withhold her demands pending other developments, notably evolution of the Anglo-American conversations;

(d) Set forth her program piecemeal;

(e) Submit her demands to one or the other party only with a view to fishing in troubled waters.

(3) On the question of ratios, Japan may

(a) Reject the principle of ratios entirely;

(b) Accept the principle of ratios, but demand an increased ratio for herself.

(c) Accept the principle of ratios for global tonnage, while rejecting it for individual categories;

(d) Insist on the principle of equality, while being ready to accept inferior figures for actual construction, without any explicit ratio.

(4) On the question of Japan's other demands (offensive versus defensive types of vessels, abolition of aircraft carriers, et cetera), Japan may

(a)

(a) Be prepared to withhold discussion until the question of ratios has been dealt with;

(b) Attempt to gain the support of one or the other of the parties to the conversations on individual claims;

(c) Appeal to the public on the basis of the pacific nature of the Japanese demands (abolition of offensive weapons);

(d) Abandon these claims entirely in the event that she obtains satisfaction on the ratio issue.

WE:NHF:GES:SS

III. Great Britain.

(1) With reference to the Japanese angle Great Britain may

(a) Stand with the United States on all Japanese claims;

(b) Support the United States on the issue of ratios but side with or give in to Japan on some of the other questions (for instance, on reduction or abolition of offensive naval vessels);

(c) Withhold her own views and attempt to play a mediatory role between the United States and Japan;

(d) Support a partial increase in the Japanese ratio, for instance in certain categories;

(e) Support the principle of limitation by global tonnage;

(f) Seek to play off one power against the other by

1. Supporting some or all of Japan's claims in return for Japan's support of her claims against us;

2. Permitting or encouraging Japan to raise political issues in order to force concessions from us;

3. Attempting to purchase concessions from us with respect to the British program in return for supporting us against Japan;

(g) Give evidence of a prior political understanding

understanding with Japan (such as renewal in one form or another of the Anglo-Japanese alliance).

(2) With reference to the Anglo-American issue, Great Britain may

(a) Maintain the technical program submitted last summer;

(b) Moderate the program in unsubstantial details, leaving it unacceptable to the United States;

(c) Moderate the program so substantially as to permit of its acceptance or at least discussion by the United States;

(d) Delay discussion of the technical program, pending development of the talks with Japan;

(e) Renew the request that the United States submit its own program for discussion;

(f) Submit a new program based on different principles - for instance global tonnage, limitation by numbers, increase in age limits, abandonment of limitation by ratios;

(g) Renew the attempt to try the British case in the press.

IV. United States.

(1) With respect to Japan, the United States can

(a) Keep in the background with a view to

1. Waiting for Japanese initiative in seeking our views;

2. Letting the British bear the brunt of opposing Japan's demands;

3. Achieving a possible prior Anglo-American understanding;

4. Bringing about a gradual moderation of the Japanese position;

(b) Seek to establish a common front with the British against Japan's claims, possibly by meeting the British views as to cruisers and/or battleships as far as possible;

(c) Take the initiative in stating our position on Japan's claims.

(2) With respect to the British program, the United States can

(a) Continue to treat the British program as undiscussable;

(b) Manifest its willingness to discuss individual points - such as a moderate increase in cruiser tonnage, a moderate decrease in capital ship size;

(c) Submit a counter-proposal designed to achieve a global reduction or at least prevent an increase, for instance by means of global method of limitation;

(d) Suggest postponement of discussion of Anglo-American issues while dealing with the Japanese.

V. Certain general questions.

(1) To what extent does the Japanese issue outweigh the Anglo-American issue and how far can we go in compromising with the British in order to gain their support against Japanese claims?

(2) Is there anything we can offer Japan by way of compensation in return for her agreeing to a continuance, in practice, of the present ratios?

(3) If the question of bringing France and Italy into the preliminary conversations is broached, what attitude should the American delegation take?

(4) What should be our position in the event of a suggestion that next year's conference be widened to include states, other than the Washington Treaty powers?

(5) If agreement with the Japanese proves impossible, should the United States

(a) Press for a naval agreement without Japan:

(b) Advocate postponement or abandonment of the 1935 conference;

(c) Make a declaration of future policy, such as determination to maintain existing ratios by proportional building?

(6) In the event of evidence of Anglo-Japanese agreement, what should American policy be?

WE:MHF:VAS:MNE:MLD
9-27-34

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

December 20, 1934.

MEMORANDUM FOR

THE SECRETARY OF STATE

Referring to Grew's #279, December nineteenth, that A. P. story from Tokyo, printed in the Star, should, I think, be followed up further. What would you think of asking the Japanese Ambassador, in the most friendly way, if the A. P. dispatch was substantially true?

F. D. R.

PSF. Japan - 1934

file private

THE SECRETARY OF STATE
WASHINGTON

December 20, 1934.

Dear Mr. Prèsident:

With reference to Grew's reply to our inquiry concerning the article printed in the Star relative to the Nicaraguan Canal Project, I think your idea is a good one, and I shall take steps to ask the Japanese Ambassador, in an informal and casual manner but in the form of a definite inquiry, if the AP. dispatch was substantially true.

Faithfully yours,

Cordell Hull

The President,
The White House.